FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

Latin America

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FBIS-LAT-94-197 *12 October 1994*

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NOTICE TO READERS: Effective 1 October, the processing indicators appearing in brackets at the start of each item in this publication have been changed. All new indicators begin with "FBIS" to make the material more easily identifiable. Some also indicate whether the item has been translated from the vernacular or transcribed from English.

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OAS Head Applauds Panama Asylum Offer To Cedras

PA1210010694 Madrid EFE in Spanish 2350 GMT 11 Oct 94

[FBIS Translated Text] Washington, D.C., 11 Oct (EFE)--OAS Secretary General Cesar Gaviria said today that Panama would be doing democracy a "great service" by receiving Haitian General Raoul Cedras, head of the military coup, who resigned on Monday.

In a communique issued in Washington, D.C., Gaviria states: "As secretary general of the OAS, I wish to emphasize the enormous service the Republic of Panama would be doing for democracy in the hemisphere if it agrees to receive Gen. Raoul Cedras, who was until yesterday a member of the de facto Haitian government."

The document states: "This is a generous contribution by Panama to the effort that all nations of the hemisphere, members of the OAS, are making to ensure the return of constitutional President Jean-Bertrand Aristide, peaceful compliance with UN Resolution 940, fulfillment of the Governors Island agreements, and full respect for the principles of international law that support them."

According to sources in Panama, the Panamanian Government wants constitutional President Jean-Bertrand Aristide to approve the asylum plan for Gen. Raoul Cedras before he arrives in that Central American country.

Panama received a request from the United States for the nation to welcome Cedras, who stepped down on Monday in Port-au-Prince and announced that he was leaving Haiti.

The resignation clears the way for Aristide's return. Aristide was overthrown in September 1991 and, according to an announcement made by U.S. President Bill Clinton on Monday, will return to power on 15 October.

The resignation of the military leaders who led the coup d'etat and the return of President Aristide are included in the agreements reached on 18 September, which were signed by civilian and military authorities and a special U.S. team led by former U.S. President Jimmy Carter.

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Cuba

Provinces Conduct Extensive Agrarian Mobilizations

FL1210032294 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 12 Oct 94

[From the "NTV" newscast]

[FBIS Translated Text] Sugarfield tending tasks aimed at attaining a better harvest and soil preparation are the main efforts being conducted in Cienfuegos, Ciego de Avila, and Pinar del Rio Provinces.

From 1 September to date, over 18,000 Cienfuegos residents have been participating daily in sugarcane weeding mobilizations throughout the province. Previous to this, every Basic Cooperative Production Unit [UBPC] conducted an analysis of its labor force requirements according to the strength of the weeds. The mobilizations were organized on the basis of this accurate analysis and, unlike previous mobilizations, the effort is more effective. The strategy selected was to first weed the new canes and later the shoots. This responds to the fact that the weeding of new fields, and to a lesser degree the shoots, can result in higher yields.

Many might wonder: What contribution can so many mobilized workers make at this time of year? Although in terms of yield, the gain is not that significant, it does improve the operation of the machinery during the next harvest and reduces losses. These mobilizations are also needed due to the well-known labor force deficit, the low productivity of the workday, and the insufficient number of sugar complex personnel who have joined the UBPC's, among other subjective reasons.

Approximately 400 caballerias have been weeded by the Aguilas de la Trocha Contingent, which was created three weeks ago in Ciego de Avila Province to support sugarcane recovery program efforts. In the last few hours, two new detachments of mobilized workers have joined this contingent, which already has over 2,000 members.

Alfredo Hondal Gonzalez, member of the Politburo and first secretary of the Communist Party of Cuba in Ciego de Avila, spoke to workers about the importance sugar production has for Cuba under the current circumstances. Another three contingents were formed to work on tubers, vegetables, and grain crops. Municipal detachments have also been created to help tend the crops on a daily basis.

A soil preparation campaign offensive began on Saturday in San Luis Municipality, Pinar el Rio Province, as part of recovery efforts following recent heavy rains. Recovery efforts are not limited to soil preparation alone—20 caballerias of tobacco, tubers, and vegetables have been readied. It also includes cleaning the town's main public areas and weeding road shoulders in places such as the roadway to El Corojo, where Marabu had reduced the width of the road.

Candido Palmero Discusses Food Production

FL1210011794 Havana Radio Rebelde Network in Spanish 1700 GMT 8 Oct 94

[From the "National Radio News"]

[FBIS Translated Text] Candido Palmero Hernandez, Politburo member and first secretary of the PCC in Havana, stated during an interview with National Radio News that there has been progress in some sectors, such as jobs related to sugarcane and miscellaneous crop production.

[Begin Palmero recording] I see organization, discipline, enthusiasm, effort. The direction is evidently there and [words indistinct]. Havana has never failed and cannot fail now. We are expecting to have a good food production campaign. Farmers markets will create more incentive to increase food production, which is currently needed, and where we are concentrating our efforts. [end recording]

Lazo Visits Diez de Octubre Municipality

FL1210015394

[FBIS Editorial Report] Havana Tele Rebelde Network in Spanish at 0251 GMT on 11 October, on its "This Very Day" program, carries a six-minute report on Esteban Lazo's visit to Diez de Octubre Municipality following a ceremony commemorating the 126th anniversary of the Demajagua uprising against Spanish rule.

Video shows Lazo near a monument to Cespedes, speaking with a group of members of the Cuban Revolutionary Veterans Association. Lazo states: "Several generations of fighters—those who took part in the fighting in Sierra Maestra, on Giron Beach, and in the clandestine fight as well; those who fought against bandits, comrades from the Revolutionary Armed Forces, the Ministry of the Interior, and internationalists are present here today. Many who fought in the rebel army and in the clandestine movement also served on internationalist missions. However, the majority of the association's internationalist members are young. We must obtain more participation by our youth in these patriotic activities."

Several of the people gathered around Lazo say that that is where the association's true objective lies, in achieving the participation of young people. Lazo agrees and replies: "The participation of young people in these patriotic, military, and all other activities that touch our hearts is most important. We must remember our past. That is very important. The word independence has been constantly repeated today but our independence cost a lot of blood, effort, and sacrifice." The crowd responds approvingly. One man states: "We shall continue to fight, and we will triumph."

Lazo adds: "We will never give up our fatherland. Our fatherland proclaimed its independence 126 years ago, and this is still very present in all Cuban patriots." The crowd responds, Viva Cuba!

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Later video shows Lazo visiting a local ice cream parlor and speaking with the people gathered there about the service. One man informs Lazo that the ice cream has not been delivered yet. Lazo asks at what time the ice cream parlor opens and why the ice cream has not been delivered. Several people respond that the ice cream parlor normally opens at 10:00 and that the ice cream has not been delivered because of lack of transport.

Video next shows Lazo speaking with a crowd gathered outside a school. Lazo questions the neighbors about why the school grounds are so untidy. Several people respond that for some time now the garbage containers have not been available. Lazo states: "Our schools should be our pride. They should be clean." Lazo calls the municipality's president, who is among the crowd, and asks him to explain the situation. The president explains: "We have very few garbage containers left in our municipality because of the special period." Several people say that the neighbors should know better than to dump their garbage in a schoolyard. Lazo states: "To solve this problem there must be a joint effort by society. The Pioneers, Federation of Cuban Women members, and everyone else must cooperate to continue to move forward. Well, farewell to all, and we must continue our struggle."

Hotel Chain Strives to Attract Larger Market Share

FL1210013094 Havana Radio Rebelde Network in Spanish 1700 GMT 8 Oct 94

[Report by Ilia Sardinia; from the "National Radio News"]

[FBIS Translated Text] [Sardinia] The recently created Horizontes hotel chain has been highly successful in achieving its goals, with a major presence in cities, on beaches, and in other locations where various types of specialized tourism are being developed.

Jose Fernandez de Cossio, president of the Horizontes Hotel Group, discusses the chain's goals:

[Begin recording] [Fernandez] The chain is a large organization comprised of 57 hotels. The primary goal is the standardization of quality service that will be the trademark of a Horizonte hotel. At the same time, we seek to improve economic efficiency by introducing a new accounting system, instituting new relations between the chain and the individual hotels, as well as improving communication through computing, etc. By taking these steps we will be in a position to better manage the chain without interfering with the authority and prerogatives of on-site managers.

[Sardinia] How has the flow of tourism been in the last few months?

[Fernandez] In the Horizontes chain we are experiencing normal levels of tourism. We have, of course, much higher expectations; some of our hotels have not been properly marketed internationally. We want them to be brought to the attention of those markets in order to attract new segments of the international tourism market—we expect specialized tourism to be one of the key elements for Horizontes. [end recording]

[Sardinia] The Horizontes chain is currently remodeling and improving all its facilities as well as participating in joint projects to build new hotels.

Doctor Views 'Superior' Drug Treatment Facilities

FL1110175794 Havana Radio Rebelde Network in Spanish 1700 GMT 7 Oct 94

[From the "National Radio News"]

[FBIS Translated Text] The international conference of psychiatric hospital professionals ended in Havana on 7 October. Over 500 delegates from around the world participated, including important mental health specialists. Conference participants discussed the growing number of people who want to travel to Cuba for health reasons. Dr. Jorge Luis Perera Horta, director of tourism and health services at Servimed—a Cubanacan Group subsidiary—comments:

[Begin Perera recording] Our company has two drug treatment centers. Some people are surprised to hear that Cuba has such centers. However, drug addiction is not a health problem in Cuba. Cuba has treated patients from different countries free of charge through international agreements and as a show of solidarity. Therefore, Cuba has drug treatment experience. Cuba is free from drug addiction, yet following the experience of Havana's psychiatric hospital, two drug rehabilitation centers were created for the international market. The [name indistinct] center is located in Camaguey Province; El Quinque, the second center, is located in Holguin Province. Both centers have shown good results, and we had the good fortune of hosting international specialists. We also have presented our own experiences before this conference and can say that our treatment results are superior to those of other centers worldwide. We recently visited Canadian centers and could corroborate the importance of our accomplishments. [end recording]

Cuba has become a tourist hub in the health care sector.

Roundup of Economic Developments

FL0710181394

[FBIS Editorial Report] The following is a compilation of reports on Cuban economic developments monitored through 7 October.

In Matanzas Province, September has marked a record in the extraction of crude oil by the Central Drilling and Extraction Enterprise, situated in the northern area of the province. The oil extracted was 100,292 tonnes, thus making the year's goal of 918,000 tonnes that more obtainable. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 4 Oct 94)

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In Holguin Province, the Ernesto Che Guevara Nickel Factory has saved over $ 1.5 million due to the introduction of a new system known as petroleum additive [petroleo aditivo] used in the mineral reduction process. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 4 Oct 94)

The Jamaican shipping company (Inter Caribbean) will increase its operations with Cuba by implementing a container carrying vessel this month. (Inter Caribbean) has purchased a vessel with a cargo capacity for 90 40-foot containers. (Havana Radio Rebelde Network in Spanish 2300 GMT 4 Oct 94)

Rice producers in Granma Province continue efforts to meet their goal of 2 million quintals of rice by the end of the year. Brigade No. 2 is the leader in the current spring harvest with 113,000 quintals so far. They use new cubart machinery produced in Cuba. Yields exceed those of the past winter campaign.

The Ernesto Che Guevara Basic Cooperative Production Units [UBPC] in Cifuentes Municipality, Villa Clara, has had many difficulties in increasing yields. Rolando Sanchez, director of the UBPC, confirms that the UBPC's losses in the first harvest exceeded 142,000 pesos. They are only obtaining 17,200 arrobas per caballeria. Other problems are that too many workers were placed in self-sufficiency tasks and that worker are only working four to five hours per day. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 5 Oct 94)

In Sancti Spiritus Province, workers of the Siete de Noviembre Sugarcane Complex, in La Sierpe Municipality, have manually weeded 206 caballerias in September. October's manual weeding goal is set at 90 caballerias. (Havana Radio Reloj Network in Spanish 1935 GMT 5 Oct 94)

In Sancti Spiritus Province, the excess circulation of money has decreased by approximately 41 million pesos. This is due to the implementation of the corrective economic measures approved by the Council of Ministers. (Havana Radio Reloj Network in Spanish 1936 GMT 5 Oct 94)

In Isla de la Juventud, the residential sector will be charged a fixed rate for water consumption because there are no water meters. As of 1 November, the rate to be paid will be one peso per person, which will correspond to the water consumed in October. A sewer system service charge of 30 cents per person in a household, will be added to the water bill. (Havana Radio Reloj Network in Spanish 1938 GMT 5 Oct 94)

The San Francisco Sugarcane Basic Cooperative Production Unit (UBPC) of Cifuentes Municipality in Villa Clara is obtaining positive results due to the efforts and dedication of workers and leaders. Eighty five percent of the UBPC's labor force work in the sugarcane sector and tends 52 caballerias of sugarcane. The UBPC reached yearly planting goals early and has maintained 86 percent of its sugarcane fields weed free. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 6 Oct 94)

Havana's Nico Lopez Refinery plant no. 2 has been fully rebuilt. This plant is producing 600 tons of kerosene per day, and 170 tons of the naptha used to produce manufactured gas at the Mario Fortuny Refinery. Likewise, repairs at plant no. 6 will make it possible to produce approximately 1,000 tons per day of the so-called 40 [octane] gasoline are expected to be supplied to Havana gas stations. The antiquated Melones refinery is scheduled to undergo a $2 million repair program in the spring of 1995 in an effort to double manufactured gas production. Havana City alone, has a backlog of 46,000 hook up requests for liquefied gas. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 7 Oct 94)

RTV Commercial opened on 1 October in Havana to provide specialized radio, television and video service to individuals, business and organizations, and in addition, could have an important role in Cuban radio and television in coming years. RTV Commercial will travel to Cannes to try to sell television programs, and later to Spain. (Havana Radio Rebelde Network in Spanish 1700 GMT 5 Oct 94)

Moa's Higher Mining-Metallurgic Institute in Holguin Province and the Mexican University of Zacatecas have signed a scientific and cultural collaboration agreement which will permit the exchange of professionals, and will provide Cuban support in the construction of a lab in Zacatecas. (Havana Radio Rebelde Network in Spanish 1700 GMT 5 Oct 94)

A surgical unit has been inaugurated in the Conrado Benitez cancer hospital in Santiago de Cuba which will allow up to six daily operations. New sterilizing equipment using steam from boilers will permit conservation of electricity, and sterilization procedures will be possible despite electric outages. The cost of the renovations totalled approximately $122,000 pesos. Also modern equipment was purchased such as $400,000 Gamma chamber for studies with radioisotopes. (Havana Radio Rebelde Network in Spanish 1700 GMT 7 Oct 94)

A research team from the Eastern University has obtained a mixture of refrigerant gas called LB-12 which replaces freon-12, and which is being successfully tried in domestic refrigerators in Santiago de Cuba. This new gas does not damage the ozone layer, and does not require modification of refrigerators. Other provinces will start using it, and the possibility of application in commercial refrigeration and air conditioning is being studied. (Havana Radio Rebelde Network in Spanish 1700 GMT 7 Oct 94)

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Dominican Republic

Deputies Declare Francois Persona Non Grata

PA1210013694 Madrid EFE in Spanish 2349 GMT 11 Oct 94

[FBIS Translated Text] Santo Domingo, 11 Oct (EFE)—The Chamber of Deputies has called on the Dominican Government to expel Joseph Michel Francois, former chief of the Haitian Metropolitan Police in Port-au-Prince, who has been in exile in Santo Domingo for one week.

The legislators say "the presence of Francois and his supporters in our country constitutes a serious threat to the democratic recovery of Haiti."

Following a request presented by the opposition Dominican Revolutionary Party (PRD), the Chamber of Deputies declared Joseph Michel Francois persona non grata in the Dominican Republic.

The chamber also asked President Joaquin Balaguer to "initiate procedures for Francois' immediate departure from Dominican territory."

Deputies Alfredo Pacheco and Tony Raful presented the PRD request.

Francois arrived in the Dominican Republic last Tuesday when President Balaguer granted him a "tourist" visa.

The deputies believe that the Haitian police and the paramilitary groups led by General Raoul Cedras and Colonel Francois committed "horrifying crimes" against the Haitian population.

They add: "The coupist and criminal behavior of the military and police gangs of Cedras and Francois forced the nation to endure sanctions and an intervention that has disrupted the peace of Haitian families living along the Dominican border and has also caused serious damage to our economy."

The resolution says Francois can no longer remain in the country due to his violations of Haitian democracy. His continued presence compromises the political recovery process in Haiti.

Last week Dominican Foreign Minister Carlos Morales Troncoso said Francois' stay in the country would be indefinite but would depend on how events unfolded.

Francois was allowed to stay with his wife, his four children, and two advisers. The former police chief is living in a luxurious residence in an exclusive area of Santo Domingo.

On Monday, Haitian groups residing in Santo Domingo complained about Francois' presence in Dominican territory and demanded his expulsion.

Haiti

De Facto Ministers Meet in Absence of Jonassaint

FL1110230694 Port-au-Prince Signal FM Radio in French 1030 GMT 11 Oct 94

[FBIS Translated Text] The Council of Ministers met on 10 October. The ministers of the government of Judge Emile Jonassaint met in informal council in the absence of the chief executive, Emile Jonassaint, who did not show up at his office at the National Palace, while rumors of his departure from power were growing more and more persistent.

Stanley Schrager, spokesman for the U.S. Embassy, then confirmed it. No official reaction from the Jonassaint government has been recorded concerning General Cedras' resignation, which occurred on 10 October.

Issue Communique on Resignation

FL1210123394 Port-au-Prince Radio Metropole in French 1050 GMT 12 Oct 94

[Communique issued by the General Secretariat of the provisional Haitian Government's Council of Ministers in Port-au-Prince on 11 October—read by announcer]

[FBIS Translated Text] The provisional Haitian Government thanks the Haitian nation for seeing it through this period, the most tragic in its history as a people. Given the exceptional circumstances and the situation imposed on our country, the provisional government, as of this date, has ceased to ensure the regular functioning of public powers. The government calls on the Haitian people to remain calm and responsible during this distressing period.

Malval Government Agrees To Take Control

FL1110224694 Port-au-Prince Radio Metropole in French 1600 GMT 11 Oct 94

[FBIS Translated Text] Robert Malval's resigning government agrees to take control of the state. Following is the press release of the resigning government read by its spokesman:

[Begin unidentified spokesman recording] The resigning constitutional government, after due deliberation by the Council of Ministers, has agreed to take over the ministries, occupied until now by the 11 May 1994 usurpers. The government takes this opportunity to recall the terms of its press releases dated 11 and 17 May 1994, which declare null and void all administrative and contractual acts by those who illegally monopolized the state machinery. The resigning constitutional government emphasizes its serious reservations regarding the management of public properties and funds during the usurpation period. Consequently, the resigning government asks all those who had illegal access to the management of state funds to be at the disposal of the

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legitimate government, the Supreme Audit Court, and administrative litigation. Robert Malval, ad interim prime minister. [end recording]

U.S. Troops Take Over National Palace

FL1110222494 Port-au-Prince Radio Metropole in French 1900 GMT 11 Oct 94

[FBIS Translated Text] The National Palace is under the control of U.S troops. In preparation for the return of the government of resigning Prime Minister Robert Malval, about 200 U.S. soldiers occupied the Presidential Palace in the middle of the day. The U.S. military also took control of the Palace of Ministers and the Dessaline Barracks. Clarence Renois reports live:

[Clarence] For the first time since their peaceful arrival in Haiti, the U.S. military today entered the premises of the National Palace and simultaneously began occupation of the offices of the main ministries, located in the Palace of Ministers, a large green and white building. The U.S. military, numbering about 150 and led by Colonel Sullivan, succeeded in taking control of both the National Palace and the Ministries Palace without incident. A group was also sent to the Dessaline Barracks as a backup.

There was no resistance from Haitian military officials, who are now gathered in the staff room with no remaining command posts under their control at the National Palace. The Haitian military have agreed to cooperate with the U.S. military. A lieutenant was asked to lead this operation in coordination with U.S. Col. Sullivan. The Haitians have been removed from all command posts in the National Palace, and the U.S. military is occupying the entire building, from outside, of course. In the courtyards of the National Palace's three main entrances, the Palace of Ministries and the Dessaline Barracks, tanks, trucks, and other U.S. Army vehicles are imposing in number.

The arrival of U.S. soldiers attracted a gathering of a few hundred people who applaud the U.S. military everytime they take control of a post. It is all done without incident, with the Haitian military inside or outside among curious people, mostly young supporters of President Aristide who display his picture or chant slogans composed on the spot.

It should also be noted that since 7 October President Jonassaint has not been to the National Palace, nor have other high-ranking employees of his administration. The ministers had already abandoned their ministries last week, and the last Council of Ministers meeting must have been held last Wednesday. Judge Emile Jonassaint continued to receive Haitian and international personalities, possibly in his private residence.

Yesterday, General Shelton, Ambassador William Swing, and the Aristide government's Defense Minister Jean Belliot went to the National Palace, but did not meet with Provisional President Emile Jonassaint. We have learned that he was to give an address tonight or tomorrow. Most likely, it will be the official resignation speech of Provisional President Emile Jonassaint.

This peaceful intervention of the U.S. Army inside the National Palace will allow the U.S. military to prepare for the return of the resigning government of Prime Minister Robert Malval who announced his return to state affairs beginning around 12 October, three days before the return to Port-au-Prince of President Jean-Bertrand Aristide. This was Mobile 17, from the National Palace for Radio Metropole.

Aristide Reportedly Plans To Resume Office 15 Oct

FL1210131494 Nassau Bahamas Radio Network in English 1130 GMT 12 Oct 94

[FBIS Transcribed Excerpt] Celebrations have begun for many Haitian nationals who anxiously await the return of Haiti's deposed president, Jean-Bertrand Aristide. The ousted leader will resume office on Saturday [15 October], three years after the military took control of that Caribbean nation. Here, in the Bahamas, many members of the Haitian community are optimistic this move will pave the way for a new beginning. [passage omitted]

Cedras, Biamby Consider Panama for Asylum

FL1110234694 Port-au-Prince Radio Metropole in French 1045 GMT 11 Oct 94

[FBIS Translated Text] General Cedras is still in Port-au-Prince, but reportedly leaving for Panama.

The Venezuelan president refused political asylum to the authors of the 30 September coup-d'etat. In response to a request in that regard from former U.S. President Jimmy Carter, Venezuelan President Rafael Caldera responded by letter that for the time being, Venezuela does not deem the presence on its territory of Cedras or any of those who would accompany him as timely. This was communicated by the information director of the Venezuelan Ministry of Foreign Affairs. Furthermore, added the Foreign Affairs Ministry, President Caldera says this decision is not about political persecution, but about those whose behavior deserves an unequivocal verdict from the international community.

Gen. Philippe Biamby, former Army general and chief of staff, could go into exile in Panama following the refusal by Venezuelan President Rafael Caldera to welcome to his country the Haitian military chiefs. The departure of Gen. Philippe Biamby could take place within 24 hours.

Cedras, Biamby Reportedly Remain at Home 11 Oct

FL1110191094 Port-au-Prince Radio Metropole in French 1800 GMT 11 Oct 94

[FBIS Translated Text] Raoul Cedras and Philippe Biamby remain in their homes, awaiting exile. The

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United States and exiled President Aristide continue to search for a country that will accept them. We just learned that Aristide has asked Panama to grant General Cedras political asylum. A Panamanian Government spokesman reports that the former Haitian Army chief and his family may arrive in Panama during the day or on 12 October. Panamian President Ernesto Perez Balladares is expected to make a decision in the next few hours.

Cedras, Biamby Reportedly To Depart 12 Oct

FL1210121894 Port-au-Prince Radio Metropole in French 1115 GMT 12 Oct 94

[FBIS Translated Text] We just heard that Generals Raoul Cedras and Philippe Biamby plan to depart Haiti this morning. ABC reports that a plane is waiting for them at Port-au-Prince airport to take them to Panama. Panama could announce...[pauses] Panama is supposed to issue a statement in the next few hours on granting Cedras, the former chief of the Haitian military junta, asylum. U.S. President Bill Clinton, constitutional Haitian President Jean- Bertrand Aristide, and OAS Secretary General Cesar Gaviria had also asked President Ernesto Perez Balladares to decide on Biamby, former chief of General Staff, and his family and on Cedras's close colleagues.

Panama has granted asylum in the past to the shah of Iran and former Guatemalan President Jorge Serrano. ABC reported the departure of Generals Cedras and Biamby for Panama this morning.

Cedras Said Wounded Following Resignation

FL1210002394 Port-au-Prince Signal FM Radio in French 1030 GMT 11 Oct 94

[FBIS Translated Excerpts] [Reporter Roosevelt Benjamin] Forced to resign his post as chief of the Army, General Cedras officially resigned on 10 October.

[Reporter Jacques Maurice] Gen. Cedras, who was the strongman of Haiti for three years, resigned on 10 October. He was cloistered in his home at the end of the day under the protection of U.S. soldiers while awaiting his departure for exile, likely to Panama. His resignation gave rise to demonstrations of joy from partisans of President Jean-Bertrand Aristide, who was overthrown in a coup on 30 September 1991 by Gen. Cedras, and whose return from exile is scheduled for 15 October. No incidents occurred during those demonstrations. The only act of violence in the capital on 15 October was apparently the plundering of a food store. Let us listen to the report of Luckenson Jean.

[Begin Jean recording, in Creole] An old saying goes like this: A day for the hunter, a day for the prey. It was with much emotion—sadness, sorrow, and distress—that the strongman of Haiti, Lieutenant Gen. Raoul Cedras, left his post as head of the Army to hand over power to Gen. Jean-Claude Duperval, who is deputizing for the commander in chief of the Army while waiting for exiled President Jean-Bertrand Aristide to appoint another to lead the military institution.

The ceremony for the transfer of power took place on the gallery of the Army General Headquarters of the Haitian Armed Forces under a blazing sun at about 1030, in the presence of the high general staff of the Haitian Army and U.S. Gen. Hugh Shelton. Leaving his office, he saluted the Haitian military, the GI's, and the civilian population who chanted slogans hostile to him and the military institution. In a 10-minute speech, the general—who was visibly moved and who was wearing a military uniform—stated: I will leave this country with many regrets, but I will always look at Haiti. When the Haitian people are happy, I will be happy and when they are in mourning, that will affect me as well.

Meanwhile, his wife, Yanick Cedras, who was on the balcony of the General Headquarters wearing a white skirt and a green blouse with white dots, had tears in her eyes. [passage omitted]

Then it was Duperval's turn. He said this ceremony symbolizes a new era for the military institution, and thanked the officers, noncommissioned officers, and soldiers of the Haitian Army. [passage omitted]

At the conclusion of the ceremony, the civilian population, estimated to be about 1,000, went into the streets with U.S. flags and tree branches, demonstrating against Generals Cedras and Biamby, whom they ask to leave the country as soon as possible. They were asking for the trial of Gen. Cedras as a war criminal, as a common law criminal, and so on. [Crowd chants: The Americans have freed us, what will we give them?] Forty-five minutes later, the GI's were obliged to shoot into the air and asked the civilian population to lie down on the ground to let the general leave. Despite this, in lower Rue Pavee, the population hurled bottles and stones at the car of the former Army chief, Raoul Cedras. One of them broke the window of his car. Gen. Cedras was injured, and we were able to see blood on his face. [passage omitted]

Trinidad and Tobago

Association Questions Policemen's Status in Haiti

FL1110225694 Castries HTS Caribvision Television in English 1945 GMT 11 Oct 94

[From the "Caribbean Evening News" program]

[FBIS Transcribed Text] Trinidad and Tobago's Second Division Association insists that no decision has been taken on whether or not the country will send policemen to Haiti. We get the details from Brian Carter:

[Begin recording] [Carter] Mr. (Haid) feels strongly that insurance for police officers, should they be injured in Haiti, and their legal standing in Haiti as officers of the

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law are important matters which need to be finalized before local policemen can head for Port-au-Prince.

[(Haid)] Will the conditions of service be different as it applies now in the Trinidad and Tobago police service? Will they come under the command of the American soldiers? And if they do, will they be subject to military law or civil law? What will be the terms and conditions in terms of remuneration for those police officers in Haiti? What will be the rights and responsibilities of those officers if they are shot and injured in Haiti or if they shoot and injure any Haitian? And if they're injured, for example, would they be required to retire medically unfit if they're disabled? What will be their rights?

[Carter] Mr. (Haid) says he is also particularly concerned with the $1,000 monthly allowance being quoted by the media as compensation. Such a sum, he says, is insufficient for police work in what he calls a hotbed of violence that is Haiti. Mr. (Haid) believes that any police officer being enlisted to work there deserves a higher allowance.

[(Haid)] In our view, the police officers to be sent to Haiti (?are properly). I know that some police officers may feel agrieved if the association seeks to prevent them from working for some extra dollars. But we must protect their interests and must protect them from themselves. In our view, $1,000 is being (?ballied) around as a figure, $1,000 per month. In our view, that is not sufficient for putting your life and future at risk in a country like Haiti. And more importantly, how will the police service and the government justify to the population sending police officers to Haiti when they have been complaining all the time of shortage of police officers in Trinidad and Tobago?

[Carter] According to the association president, government shall utilize vacationing officers for this exercise. He says through this approach the work of the police service would not be affected in any way. [end recording]

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Deputy Secretary Criticizes California Governor

PA1110142594 Mexico City XEW Television Network in Spanish 0430 GMT 11 Oct 94

[FBIS Translated Text] The Mexican deputy foreign relations secretary, Andres Rozental, today criticized the actions of the California governor against Mexican illegals.

The Mexican Government has underscored its rejection of any acts of aggression and institutional or isolated violence against Mexicans in the United States. The Mexican Government expects actions taken against illegals in California not to spread to the rest of the country:

[Begin Rozental recording] We believe this problem is a localized one, fortunately, in southern California. We have not observed it in northern California. Nevertheless, we are paying close attention to this problem in this particular area, because we do not want it to spread to other parts of the United States, where it still has not occurred. [end recording]

He added that Mexico has taken certain actions without interfering in U.S. internal affairs to prevent the California governor's Proposition 187, which stiffens measures against immigrant workers, from being approved by U.S. voters:

[Begin Rozental recording] We would like to dispel the notion that illegals or Mexicans living legally in the United States are to be blamed for problems plaguing the state. The state's problems are different and have a different origin. We must be certain that neither we nor our people are used as scapegoats in this political campaign. [end recording]

Regarding immigration, he added there has been a good dialogue between the Mexican and the U.S. Federal Governments and also between Mexico and the U.S. border states. He concluded California's case is specific and should be treated as such.

Groups Counteract U.S. Actions Against Immigrants

PA1110144794 Mexico City XEW Television Network in Spanish 0430 GMT 11 Oct 94

[FBIS Translated Excerpt] Mexican communities along the border with the United States have taken actions to counteract measures taken against immigrants. U.S. and Mexican human rights organizations have joined forces in a broad, binational front dubbed For Dignity to protest the massive deportations by the border patrols after implementation of Operation Guardian between Tijuana, San Diego, and Mexicali, the border entrance where hundreds of compatriots are being deported.

Representatives of the Human Rights Prosecutor's Office, the Inca House of the Underage Immigrant of Tijuana [La Casa Inca del Menor Imigrante], and the Social Committee of the Friends of the Del Desiero Youth Lodge for Underage Immigrants' [Comite de Servicios Los Amigos del albergue juvenil Del Desierto de menores imigrantes] have expressed their rejection of the policy advocated by Governor Pete Wilson and in Proposition 187. [passage omitted]

Agents Arrest One of Most Wanted in Ruiz Murder

PA1110155494 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 11 Oct 94

[From the "Early Morning" newscast]

[FBIS Translated Text] Federal agents have at last arrested Fernando Rodriguez Gonzalez, one of the two most wanted participants in the Jose Francisco Ruiz Massieu assassination, in Zacatecas yesterday. The operation, coordinated by Commander Adrian Carrera, mobilized several agents who left the capital yesterday afternoon under Commander Humberto Toicef.

Rodriguez Gonzalez, technical secretary for the Hydraulic Resources Commission, arrived in Mexico City after midnight after being arrested at 1800 in Zacatecas while accompanied by a woman and a minor.

Our reporter, Raul Sanchez Carrillo, tells us Fernando Rodriguez Gonzalez was questioned during the predawn hours of the morning and transferred to Almoloya de Juarez, a high security prison, early today.

The lead used to track down Rodriguez Gonzalez was an automobile he owned that was found in Vista Hermosa de Negrete Municipality, Michoacan State. The vehicle is a black Shadow with Mexico City license plates No. 332-GVR.

Fernando Rodriguez Gonzalez' statements allow investigations to proceed and thus go beyond the limit the Federal Judicial Police have reached. A detailed report on the investigation, which is supervised by the attorney general of the Republic, Mario Ruiz Massieu [title as heard], was handed to President Carlos Salinas by Ruiz Massieu himself yesterday afternoon at the official residence, Los Pinos.

Salinas Views EZLN Decision To Halt Peace Talks

PA1210033494 Mexico City Radio ACIR Network in Spanish 0000 GMT 12 Oct 94

[Report by Marisela Palacios; from the "ACIR Radio News" broadcast]

[FBIS Translated Text] President Carlos Salinas de Gortari spoke today about the conflict in Chiapas State. The government wants to continue the peace talks in Chiapas, otherwise it will be difficult to establish peace in that region.

President Salinas reiterated the federal government's commitment to seek a political solution to the conflict in Chiapas. Less than 24 hours after learning of the Zapatist Army of National Liberation's decision to break off the dialogue with the government, the president said the

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proposal made by Peace Commissioner Jorge Madrazo to create a verification commission to solve any problems that may emerge during the cease-fire in that region is the best evidence of the government's willingness to attain peace.

Interviewed during a tour of Mexico State, the president said the social projects in the state are part of the government's commitment to find a political solution to attain peace in Chiapas.

[Begin Salinas recording] I reiterate our proposal for peace, dialogue, and a political solution. [end recording]

Prior to beginning his activities in Mexico State, the president met privately with Defense Secretary General Antonio Riviello Bazan for over an hour at the Benito Juarez presidential room in Los Pinos. Riviello Bazan gave the president a detailed report on the situation in Chiapas State, saying that the Mexican Army will maintain a cease-fire as ordered by the government. He added that Mexican Army troops have been ordered not to conduct any offensive military operations.

At the end of the meeting, President Carlos Salinas de Gortari traveled to Atizapan de Zaragoza Municipality in Mexico State, where he inaugurated a waterworks system.

The president talked about the public projects inaugurated in Mexico State over the last six years. He recognized that a great deal remains to be done and said he will continue to work for the benefit of all Mexicans until the last day of his administration. Let us listen to what he said.

[Begin Salinas recording] We inaugurate public projects, but we do not stop. We know that much remains to be done. We have to work harder. We are determined to work harder, much harder for the Mexican people. [end recording]

Government Expresses Willingness for Talks

PA1110141094 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 11 Oct 94

[From the "Early Morning" newscast]

[FBIS Translated Text] The Zapatist Army of National Liberation [EZLN] decided last night to unilaterally break off negotiations with the government, because it does not have the will to promote negotiation and because the Mexican Army is preparing for an imminent attack.

In view of this development and following a meeting between President Carlos Salinas and Peace Commissioner Jorge Madrazo, the government released a communique. Contrary to what the EZLN stated, the government expressed its absolute willingness to hold talks and urged the EZLN to resume the dialogue directly and immediately.

The government also disclosed that the peace commissioner has also proposed measures to strengthen the cease-fire. The implementation of one of these measures was to begin today with the physical presence of personnel from the National Human Rights Commission and nongovernmental organizations in the so-called rebel zones. These groups are to be involved in continuous monitoring.

The document concluded that the Mexican Army has been ordered not to undertake any offensive military actions. It can only repel fire if attacked.

Peace Commissioner Reacts

PA1110154394 Mexico City XEW Television Network in Spanish 0430 GMT 11 Oct 94

[Report on Bulletin No. 558 by the Federal Directorate of Social Communications of the Presidency issued in Mexico City; date not given; from the "24 Hours" newscast]

[FBIS Translated Text] Regarding the EZLN's [Zapatist Army of National Liberation] 8 October communique, in which it announces the disbanding of negotiations with the government, Jorge Madrazo Cuellar, the Chiapas peace and reconciliation commissioner, told the public the following at the conclusion of the weekly meeting held at Los Pinos tonight:

First, contrary to what has been stated by the EZLN, the government of the republic stresses its total willingness to engage in negotiations and it invites that organization to resume talks directly and immediately.

The commissioner has made this appeal on many occasions.

The communique adds that the EZLN was informed that the charges they have presented are being investigated. The commissioner has even given them a report on the preliminary results. In order to resume negotiations immediately, the commissioner has officially proposed considering the establishment of a verification commission so that difficulties arising during the cease-fire can be jointly attended to.

In conclusion, it is necessary to clarify one more time that the Mexican Army has been ordered not to undertake any offensive military action and to respond with fire only in case of attack. This instruction will be thoroughly complied with.

Chiapas Governor, Senators Comment

PA1210041794 Mexico City Radio ACIR Network in Spanish 0000 GMT 12 Oct 94

[From the "ACIR Radio News" broadcast]

[FBIS Translated Text] Chiapas Governor Javier Lopez Moreno today rejected the possibility that anything

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could replace political negotiations. Nothing can substitute for a peaceful solution to a conflict that could otherwise lead to an endless confrontation. Lopez Moreno read a document to representatives of the media in which he emphasized that honorable, dignified peace based on justice has never been as much a priority as it is now. Lopez Moreno said that under no circumstance should a deadline be set for negotiations.

Humberto Lugo Gil, chairman of the Senate Grand Commission, and Israel Soberanis Nogueda, a member of the follow-up commission for the Chiapas issue, also discussed current events in Chiapas. Lugo Gil argued that the Zapatist Army of National Liberation [EZLN] exchanged its social demands for political and electoral aspirations. Here is Elvia Moreno with a report:

[Begin recording] [Moreno] Humberto Lugo Gil said he hopes dialogue and facts will prevail over bullets in seeking a solution to the conflict in Chiapas. Asked about the halt to the dialogue announced by the EZLN, Lugo Gil denied that this might annul the cease-fire agreement.

[Lugo Gil] Of course not. We hope that the words, talk, and struggle through communication will prevail and that words and facts will resolve this problem, not bullets.

[Moreno] He said the government will act within the law to find a lasting and definitive solution for peace in that area of southeastern Mexico. Israel Soberanis Nogueda, a member of the follow-up commission for the Chiapas case, said the EZLN exchanged its social demands for political and electoral aspirations. In contrast with Lugo Gil's view, Soberanis stated that this halt in the talks could trigger a resumption of the armed conflict in Chiapas.

Soberanis and Senator Alger Leon Moreno agreed that the Mexican Army will not attack or break the cease-fire. Soberanis did warn, however, that if the Army is attacked, it will have to respond to the aggression. Alger Leon Moreno, president of the Senate Defense Committee, accused Subcommander Marcos of trying to upset the current state in Mexico.

[Leon] This stringent attitude displayed by Subcommander Marcos does not in any way reflect an interest in resolving the social problems he has mentioned.

[Moreno] Victor Manuel Tinoco Rubi, coordinator of the follow-up commission for the Chiapas case, urged civilians and politicians in Chiapas to set aside their particular interests for the benefit and peace of the state. [end recording]

New PRI Leader: Party To Promote Pluralist Dialogue

PA0710130494 Monterrey EL NORTE (Foreign Edition) in Spanish 4 Oct 94 p 1a

[Report by Rodolfo Montes]

[FBIS Translated Text] Maria de los Angeles Moreno, the new secretary general of the CEN [National Executive Council] of the Institutional Revolutionary Party [PRI], yesterday said that the party's political system must be reformed and renewed, and as a result, the PRI will propose a pluralist dialogue among all the country's political forces that aim to achieve democratic progress.

The PRI's National Political Council unamimously elected the chairwoman of the Chamber of Deputies' Grand Committee to replace Jose Francisco Ruiz Massieu, who was assassinated on 28 September.

During her swearing in at the PRI's Plutarco Elias Calles Auditorium, Moreno said that PRI members cannot dwell on bitterness and rancor; therefore they must tackle challenges without evading problems or covering up mistakes, and they must overcome misfortune.

"The Mexican political system must be renewed and improved," she pointed out "PRI contributions to the preservation of stability in the country and to the atmosphere of certainty that promotes progress cannot be overlooked.

"We will implement party reforms with determination; we will propose a national dialogue among all political forces that are genuinely convinced of the need to deepen democratic progress."

Before 200 PRI advisers and PRI President Ignacio Pichardo Pagaza, the new secretary general said that the party will not renounce its responsibility of leading the process of change toward democracy in Mexico.

The party's proposals, she added, are not based on past strategies, and thus, the citizens should not be confused about the separation of the party and the government.

"The PRI exists and voices its opinion. It exists and is constantly renewing itself, it is permanently open to reform, because its permanence stems from its ability to change, and we will tackle party reform with that spirit."

As for Ruiz Massieu, Moreno said that he was a political reformer who promised to rise to the occasion and never disappointed PRI members.

Article Profiles Gulf Drug Cartel

PA0910203694 Mexico City EL FINANCIERO in Spanish 7 Oct 94 pp 32, 33

[Article by Jose Reveles]

[FBIS Translated Text] Today cocaine has replaced marijuana. Today the Gulf Cartel's networks extend north and south. Its power transcends borders. It is considered one of the most powerful criminal organizations in Latin America. It is not longer a band: It is the Gulf Cartel, or the Matamoros Cartel.

With connections in six different countries, including Colombia, the Matamoros-Cali axis might now be responsible for introducing up to 200 tons of cocaine

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annually into the U.S. market, according to reports by U.S. intelligence agencies and Mexican authorities.

Its firepower is unquestionable. It has been blamed for at least 60 murders. In fact, the Gulf Cartel has been frequently mentioned as having masterminded or participated in the assassination of Luis Donaldo Colosio and, more recently, the violent slaying of Jose Francisco Ruiz Massieu.

Authorities are working on three hypotheses, one of which is a combination of political and drug trafficking motives behind the murder of Jose Francisco Ruiz Massieu, according to the brother of the victim, Deputy Attorney General Mario Ruiz Massieu.

And from Washington, Eduardo Valles Espinosa, former adviser to Attorneys General Jorge Carpizo and Diego Valades, has been reporting all along the infiltration of Gulf Cartel members into the very ranks of Luis Donaldo Colosio's security apparatus.

Hundreds of the pages he submitted to authorities deal with the modus operandi, political connections, money laundering, police protection, and criminal record of the Gulf Cartel. Its connection with the assassination of Ruiz Massieu must not be ruled out "but should be investigated in depth," Valles Espinosa said via telephone.

One might infer from an investigation into revelations made to U.S. courts by former members of the organization and in documents prepared by Mexican authorities and officials from the neighboring country that Garcia Abrego has been involved in illicit drug trafficking since the 1970's.

Juan received training from his uncle, Juan Nepomuceno Guerra, in trading in contraband merchandise. No drug trafficking charges have been proven against the old and sick Guerra, despite the fact that he was arrested on several counts over two years ago by order of former Attorney General Ignacio Morales Lechiga.

Garcia Abrego received marijuana shipments transported by plane from Oaxaca to Tamaulipas and Nuevo Leon. This was revealed by his former partner, who was with him for over a decade: "El Profe" Oscar Lopez Olivares, today a witness for the prosecution under FBI protection in the United States.

But it was in the 1980's when the big business began, the key to the unrestrained growth of Garcia Abrego's multimillion dollar personal fortune and the expansion of the Cartel. The Cartel's power is comparable only to that of Colombia's Cali and Medellin Cartels.

Garcia Abrego's task, assumed uninterruptedly since then, was to transport cocaine across the border.

The most conservative figures cited by U.S. authorities estimate that the Cartel has shipped nearly 1,000 tons of drugs across the border during a decade of operation.

Regardless of whether the involvement or complicity of the Gulf Cartel in the aforesaid assassinations is confirmed, everything seems to indicate that there is no political will from either Mexico or the United States to nail the criminal organization. Despite much publicized campaigns and firm promises by authorities to eradicate the Cartel, Garcia Abrego's men continue to operate.

As part of the formal allegations made in Washington with respect to the country's political leadership having been infiltrated by drug trafficking, Eduardo Valle Espinosa stated and presented documented evidence showing that the traffickers working for Garcia Abrego have carried out at least 60 executions.

These executions include, according to "El Buho's" testimony supported by evidence, a massacre that involved 17 persons—several of which were burned alive—in the ejido Los Arcos, Matamoros, and Tamaulipas, as well as the murder of a two-month old infant.

In fact, Valle Espinosa decided to leave the country when he became aware of the lack of concrete support and the absence of any government resolve to arrest Garcia Abrego at a time when he had been clearly located and the only thing needed to deal a decisive blow against the Gulf Cartel was a court order, police support, and weapons.

The following example serves to illustrate the cartel's influence:

At the beginning of 1994, the group headed by Valle Espinosa was able to arrest Luis Medrano Garcia, one of the individuals closest to Garcia Abrego. A few hours later, Medrano was visited at the Almoloya maximum security prison by the following persons according to a 15-page report: Raul Carballido, special agent for the U.S. Federal Bureau of Investigation (FBI); Tony Tamayo and Peter Reilly, special U.S. Drug Enforcement Administration (DEA) envoys; and Eduardo Martinez, a DEA agent assigned to Mexico.

Scores of evidence related to Gulf Cartel activities have also appeared at trials taking place in Dallas, Houston, Corpus Christi, Brownsville, and other major U.S. cities. Evidence ranges from murder to introducing cocaine, and shuttling millions of dollars in assorted vehicles ($15 million in one single haul from Houston to Brownsville in October 1989).

There are at least 131 charges against Garcia Abrego in the United States, several dozen others in Mexico.

A dense network of complicities and relationships unfold from depositions by former Garcia Abrego associates and partners, as well as from extensive trial reports being handled by the Office of the Attorney General [PGR], which "El Buho" has helped shed some logical sequence. Only a willingness originating from the highest political levels can help untangle this network.

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Structure and Organization

Based on extensive documentation, we hereby present the main features of the activities and structure of the Gulf Cartel:

Founder and Head of the Organization

Juan Garcia Abrego began from the moment he decided to become independent from his uncle Juan Nepomuceno Guerra. Abrego Garcia has just turned 50, and it is said that he usually appears in public places in Nuevo Leon and Tamaulipas without being bothered. A $1 million reward is being offered to anyone who provides information on him.

Lieutenants and Current Operators

In Tamaulipas: Oscar Malherbe de Leon, who also calls himself Martin Becerra Mireles, or Martinez; Sixto Cano; Jose Luis "El Cabezon" Sosa; Jose Guadalupe "Pitochin" Sosa.

In Chihuahua and Coahuila: Don Francisco, alias "El Tio"; Saul Hernandez (mentioned in November 1991 in a U.S. courtroom by Oscar Lopez Olivares, Garcia Abrego's partner for more than a decade; Olivares, who became an important cartel chief, fled as a result of death threats and is now under FBI protective custody).

In Nuevo Leon: Francisco Payan, identified on 3 September 1993 by the Anti-Narcotics Planning Center as responsible for determining the quality of a cocaine shipments "which he would determine to be of good quality." The shipment was hidden underground according to official reports. A lawyer by the name of Hector Gonzalez.

Lieutenants Who Deserted

Abrego Garcia's partner for more than 10 years, Oscar Lopez Olivares, "El Profe," who testified on 5 October that Garcia Abrego had ordered Colosio's and Ruiz Massieu's deaths. According to statements by Lopez Olivares to the "SAN ANTONIO EXPRESS-NEWS," Colosio had scorned Humberto Garcia Abrego during a fundraising dinner to raise between $10 and 20 million for the PRI [Institutional Revolutionary Party] presidential campaign candidate. "El Profe" is currently under FBI protective custody.

Francisco Perez Monroy, cousin and best friend of Garcia Abrego, whom he faithfully obeyed for 13 years. As with "El Profe," he would normally give millions of dollars in gifts to PGR officials in the name of the Gulf Cartel, in order to obtain insurances and impunity.

Main Lieutenants Arrested

Luis Medrano Garcia, who also calls himself Sergio Luis Garcia; Jose Alonso Perez de la Rosa, nicknamed "El Amable;" Carlos Resendez Bertolussi (whose brother Juan was a member of Colosio's security team).

There is also Raul Valladares del Angel (Abraham Rubio Canales' father-in-law. Rubio Canales was former director of the Acapulco Trust and is currently imprisoned in Guerrero charged with embezzlement. He has also been charged with masterminding Ruiz Massieu's assasination). Valladares and Resendez, both imprisoned here, are wanted by the U.S. justice system which has requested their extradition. Both, however, have obtained an amparo against the U.S. extradition request.

On 2 September 1994, Antonio Abrego Perez, the cartel chief's nephew, was arrested charged with crimes against public health. Jose Luis Escamilla Gonzalez, middleman between the Gulf and the Cali Cartels, was also arrested on the same day.

The Group's Financial Managers

Eduardo Valle testified before the authorities and presented evidence that will be used to continue investigating the cartel's main money launderers. These suspected financial operators are:

Humberto Garcia Abrego, Juan Garcia Abrego's brother. This week, Humberto Garcia was summoned before the Monterrey, Nuevo Leon PGR Agent Jesus Fernando Ramirez for questioning. Humberto showed up on Tuesday, 4 October, accompanied by his lawyer Ruben Ramirez Ramirez.

After the inquiry, the police arrested and resurrected an arrest warrant based on a 1992 investigation. An official communique pointed out that Humberto Garcia Abrego was taken to the Almoloya prison "in order to determine his relationship with the Gulf Cartel and the cartel's possible participation in Ruiz Massieu's assasination."

An architect whose surname is Gamboa Bertraud is also responsible for laundering activities. Together with Humberto Garcia Abrego, Gamboa Bertraud had also been invited to the fundraising dinner for then presidential candidate Luis Donaldo Colosio, who eventually decided to revoke the invitation.

Juan Jose Garcia Gonzalez, the Gulf Cartel leaders' son, together with Victor Manuel Garcia Perez were pointed out by the PGR as Humberto Garcia Abrego's partners in laundering funds through companies such as: Transportes Eficientes de Mexico, Inc from C.V. [Ciudad Victoria, Tamaulipas], Caimsa, Prodecomsa, and Daimsa.

The list of financial managers should also include Henry Max, whom "El Buho" identifies as purchaser of an aircraft that was later sold to Ricardo Aguirre Villagomez, another money launderer. Villagomez is connected with Almacenes R & G and the Colon currency exchange company in which the authorities intervened when its illegal operations were uncovered.

Links to the Authorities

In sworn statements in the Unites States, Oscar Lopez Olivares, "El Profe," Garcia Abrego's onetime associate,

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mentioned the following Federal Judicial Police [PFJ] former commanders and officials: Guillermo Gonzalez Calderoni (arrested in Texas per a Mexican Government request since he has no pending criminal charges in the United States); Javier Coello Trejo (reincorporated into national security duties); Emilio Lopez Parra; Francisco Sanchez Neves; and Luis Esteban Garcia Villalon.

Other former police commanders who provided protection and were subsequently murdered: Jose Carlos Aguilar Garza and Tomas Morlet.

"El Profe" also pointed out that fomer Attorneys General Enrique Alvarez del Castillo and Ignacio Morales Lechuga were not entirely free from responsibility regarding the estension of protection to the Gulf Cartel. Alvarez del Castillo is responsible for corruption, while Lechuga Morales is reponsible for negligence since the FBI provided him with all the necessary information and he never took any action.

Foreign Operation Sites

United States (Texas, New York, Chicago, California, Milwaukee): Belize, Honduras, Guatemala, El Salvador, and Colombia.

Domestic Operation Sites

Mainly Tamaulipas, Nuevo Leon, Coahuila and San Luis Potosi. To a lesser degree, Tabasco, Quintana Roo, Chiapas, Oaxaca, Veracruz, Puebla, Hidalgo, and finally Chihuahua and Sonora.

Report on Activities of Ciudad Juarez Cartel

PA1010175894 Mexico City LA JORNADA in Spanish 5 Oct 94 p 1-22

[Report by Rosa Icela Rodriguez, Ciro Perez Silva, and Juan Manuel Venegas]

[FBIS Translated Text] Halfway through 1992, the Attorney General's Office [PGR] outlined a strategic goal in the fight against the drug trafficking activities of the influential Ciudad Juarez Cartel: "To know the group's ties with authorities who facilitate their work on both sides of the border." Nevertheless, according to confidential PGR documents to which LA JORNADA has gained access, "guidelines" to fight the increasingly broader fronts of the drug cartels were drafted at least as far back as 1988. The Mexican drug trafficking capos, diligent pupils of their Colombian "teachers," with whom they keep in close touch, "already pose a threat to national security," a reliable source has told this newspaper.

The fight, which started halfway through the six-year term, has left a trail of victims, some of them innocent, but the cartels, far from diminishing, "have become more powerful and increase their resources and influence every day," the source says. In this context, narcotraffickers associate themselves with politicians and businessmen "more easily in certain states than in others, sometimes through threats and sometimes by taking advantage of the politicians' and businessmen's greed for easy money in a short time." The source has said "the intricate network of the drug traffickers' relationships with politicians, businessmen, and even journalists" will come to light sooner or later during this term or the next."

According to the documents mentioned, the PGR has a long list of businessmen, businesses, and even sports clubs and civil associations, all of which have been "deeply" penetrated by the Mexican drug traffickers' various organizations.

It was reported recently the U.S. Treasury and the Mexican Finance and Public Credit Secretariat [SHCP] have decided to work together after learning that a dozen Mexican banks and at least four large exchange brokers along the northern border have been laundering drug money.

When he sensed the ring around him was inexorably closing in, Ciudad Juarez Cartel capo Rafael Aguilar Guajardo got on the telephone and talked to federal authorities. It was Holy Week, 1993. The place, Cancun. The PGR documents in the hands of LA JORNADA describe this incident: "He threatened to speak up and reveal the names of top officials in the federal government and state administrations, including governors, who were involved in drug trafficking."

Aguilar Guajardo expressed through his lawyer special concern over the official inquiries aimed at uncovering his long list of fronts. "His lawyer's insistence gave the impression that Aguilar Guajardo was most concerned over a magazine and a soccer team," the PGR report states. The authorities answered the beleaguered capo's demands. They told him if he cooperated "and acted in good faith," the authorities could consider the possibility of reducing his sentence for certain offenses, particularly tax offenses, provided he paid his taxes punctually. "Regarding his assets and fronts, it was clear we would have to hold a negotiation that could also satisfy the SHCP."

Rafael and Eduardo Munoz Talavera, regarded as the organization's second and third in command," had already been apprehended by that time, April 1993. The PGR document is undated and does not carry the name of Aguilar Guajardo's lawyer.

The Juarez Cartel

The PGR's official profile of the Ciudad Juarez Cartel follows:

The Federal Attorney General's Office began on 13 August 1991 a formal legal proceeding against Rafael Aguilar Guajardo, whom, it had been determined, is the apparent contact between the Juarez Cartel and Colombian drug suppliers. He was charged with "alleged involvement in crimes of public health by possessing 500 grams of poppy seeds."

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"The seeds were found during a routine search of a house in the Ciudad Juarez community of Condesa. Even though records at the Public Property Registry indicate the house is owned by Virginia Martinez, we have concrete evidence that Aguilar Guajardo lived in it and exercised full ownership rights over the property," the PGR adds. Virginia Martinez turned out to be someone who loaned her name.

Despite evidence implicating Aguilar Guajardo in cartel operations, the authorities decided to file charges of possession, because none of the current or former cartel members was willing to testify against him.

Carlos Enrique Tapia Anchondo, who was responsible for receiving drug shipments in El Paso and then transporting them to Los Angeles, under arrest and convicted in Hermosillo, referred to Aguilar Guajardo as "a high school acquaintance."

Victor Romero McTague, a former cartel member and a witness under U.S. DEA protective custody, said that he had heard that Aguilar Guajardo "is one of the drug traffickers" but that he had no proof.

Operation Methods

Afterward, always in accordance with the PGR documents, Romero McTague refered to how the cartel operates.

He explained the manner in which drug shipments are first received in the rural region of Chihuahua up to the arrival of the final destination where they are to be marketed, passing from transshipment to Ciudad Juarez; export to the United States; storage on both sides of the border; shipment to the sites where they are sold; accounting, inventory controls, and how the profits return to Mexico.

The PGR acknowledges that the network which was used to introduce the drugs had been operating since 1980 and was initially set up by Rafael Aguilar Fajardo and Baldomero Fuentes Garcia to transport marijuana, but it started marketing cocaine in 1987.

According to the Attorney General's Office, Rafael Munoz Talavares would contact the Colombian drug cartel through Aguilar Fajardo. Munoz Talavares is the cartel's operations chief and is responsible for air shipments and landing strip supervision.

Shipments would normally arrive on board the aircraft Turbo Commander or Piper Navajo in shipments weighing 600 kg each.

Raul Munoz Talavera would meet the aircraft in various airports located north of Chihuahua. These airports are located at the ranch Los Barriles, Guadalupe de Bravo Municipality; the ejido Los Parajitos, San Buenaventura Municipality, and the Despepitadora San Rafael pitting plant, Villa Ahumada Municipality .

From the site where the aircraft landed, the shipment was then hidden in trucks and taken to Ciudad Juarez warehouses or private homes, where Rafael, Raul, and Eduardo Munoz Talavera would load it into the trunks of large American-made cars, mainly Grand Marquis and Cutlasses. They would then transport the drug to the United States across the Zaragoza and Santa Fe international bridges.

The PGR states that Gustavo 'Tavo' Silvera was one of the contacts between the cartel and U.S. Customs officials at the border bridges "who would be payed $10,000 for each car that was allowed to cross. Each car would sometimes be loaded with as much as 300 kg in drugs."

They would deliver the shipment by leaving the cars stationed at business establishments such as Bonanza Meat, Duran's Gulf Station, Hamburger Hut, and Cielo Vista Mall, which were controlled by the cartel.

Synchronized Operations

Once the drugs were in the United States, they were taken to several businesses or warehouses, such as Lopez Imports, Hector's Interiors, and Montana Trucking.

The Tapia Anchondo brothers stored and hid the drugs in trailers loaded with pinatas, paintings, and pottery, which were then purchased by Javier Montanez and taken to Los Angeles.

Carlos Enrique Tapia was in charge of transferring the trailers once a week. His four sisters and he acted as an advance team. Three of them, Alicia, Ana, and Enriqueta, were arrested by the Federal Judicial Police on 1 September 1992 on a street in Hermosillo, Sonora State, while waiting for a taxi to take them to Cereso in Hermosillo to visit their brother, Carlos Enrique.

"Hector Tapia visited the Las Vacas butcher in Ciudad Juarez once a week to render accounts on the drug inventory and to give the money to Rafael Munoz."

Carlos Enrique Tapia coordinated the seven drivers who drove the cars from the warehouse parking lot and returned later to Ciudad Juarez with the cars loaded with money and parked them opposite the offices of Pedro Terrazas, the group's accountant.

Money Laundering?

Investigations were under way at the same time into the participation of businessman Pedro Zaragoza Fuentes, the brother-in-law through marriage of Munoz Talavera and Aguilar Guajardo, because in 1990 U.S. Customs in Mesa de Otay, San Diego County, "stopped a gasoline tanker truck belonging to one of his companies with 3 tons of cocaine on board."

The evidence the authorities had in hand to arrest at least 22 members of the group for those crimes committed between 1987 and 1988 consisted of:

- The DEA's initial report (comprising 358 properly

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translated and legalized pages).
- Depositions by six DEA agents, ratified before the consul.
- The statement rendered by Carlos Enrique Tapia Anchondo in Cereso, Hermosillo.
- The deposition by Carlos Enrique Morones McTague in La Tuna jail in Texas.
- The statement by Victor Romero McTague, coparticipant and a DEA protected witness.
- Statements by coparticipants Paulina Romero McTague, Rene Magallanes, Roberto Ignacio Portelo, and the brothers William and Wilfredo Valentin.
- PGR corroboration that three airstrips were used by drug-laden airplanes to land.
- Laboratory tests indicating that samples from the 5 tons of cocaine, seized from the group in Villa Ahumada Municipality caves, undoubtedly have an identical composition to the samples supplied by the DEA on the 21 tons they seized in a warehouse on Sylmar Street, Los Angeles, in September 1989.
- Some of the property seized from the group is the house of the shah of Iran in Acapulco, other properties in Cuernavaca, three other houses in Pedregal de San Angel, in which documents and photographs of a well-known columnist were found in one of them, another house in Xochimilco, the nightclub Premier, and the Aviorrenta rental facility.

Roundup of Economic Developments

PA1110010394

[FBIS Editorial Report] The following is a compilation of reports on economic developments in Mexico monitored through 10 October.

Sergio Bazan Barron, three-time National Geology Prize winner, reports that Mexico's proven oil reserves, officially reported at 64.5 billion barrels, are "inflated" by more than 30 percent. He states that the reserves only amount to 45 billion barrels and that their useful life is only 25 years, not 50. Bazan Barron is a former PEMEX employee. (Mexico City LA JORNADA in Spanish 3 Oct 94 p 49)

The Commerce and Industrial Development Secretariat, SECOFI, reports that the National System for External Promotion, Sinpex, has resulted in 595 foreign investment projects and 769 Mexican requests for joint investments. There were 264 export offers by Mexican firms and 1,085 foreign requests for Mexican products. (Mexico City LA JORNADA in Spanish 3 Oct 94 pp 50, 60)

The Mexican Government has made arrangements for credits amounting to $10 billion with European central banks, the IMF, and the World Bank. The $10 billion is in addition to the $7 billion agreed upon in March with the U.S. Federal Reserve System, the U.S. Treasury, and the Canadian Government following the assassination of Luis Donaldo Colosio. The entire $17 billion has been agreed upon since mid-1993, "because President Salinas de Gortari anticipated some sort of unrest, which is why all Mexican Government lines of credit were reviewed." (Mexico City Radio ACIR Network in Spanish 0000 GMT 4 Oct 94)

German Gonzalez Quintero, president of the Confederation of National Chambers of Commerce, CONCANACO, says political events in Mexico are affecting the economy. He told a news conference that economic growth for 1994 will be less than the expected 2.8-percent growth. "It could drop to 2.4 or 2.5 percent," he said. (Mexico City XEW Television Network in Spanish 0430 GMT 4 Oct 94)

According to SECOFI Under Secretary Pedro Noyola, Mexican exports to Japan increased 133 percent, primarily due to increased oil exports. Noyola explains that Mexico has for the first time managed to export to Japan such products as corn, electric coffeemakers, tractors, and cotton shirts.

Mexican trade balance figures show that exports and imports are up. Exports increased 16.4 percent to more than $33 billion between January and July, while imports increased 18.1 percent. The trade deficit increased by 24.2 percent. Exports of nonpetroleum products increased 21.1 percent, and manufactured goods 24 percent. Assembly plant exports show the most vigorous growth with 24 percent. Consumer products report the biggest increase of all other products imported, showing a 18-percent increase. (Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 4 Oct 94)

The Bank of Mexico has reported an 150-percent increase in overdue payments on loans to industry, mortgages, consumer credit, and credit cards due to a lack of liquidity, especially among the people, and a constant erosion of purchasing power. Credit has not been halted, but bank financing is going mostly to large commercial and industrial consortiums instead of intermediate, small, and micro-businesses. (Mexico City UNOMASUNO in Spanish 4 Oct 94 p 17)

PEMEX reports January through August production figures at an average of 2.691 million barrels per day, which is 1.7 percent higher than the same period in 1993. (Mexico City LA JORNADA in Spanish 5 Oct 94 p 48)

According to a 5 October item datelined Caracas, the Mexican Government, the Central American Bank of Economic Integration (BCIE), and the Latin American Economic System (SELA) signed a cooperation agreement to assist Central America in its integration efforts. A SELA communique explains that the two organizations and the Mexican Government are currently implementing a training program to strengthen Central American integration. The training program is expected to last for six years with $25,000 yearly earmarked for financing. (Mexico City NOTIMEX in Spanish 0312 GMT 6 Oct 94)

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European Commission Adviser Eric Galvin said the EU [European Union] is the second biggest source of direct foreign investment in Mexico and added that total trade between Mexico and the EU has increased by more than 20 percent over the past three years, now reaching nearly ECU10 billion. The EU official stressed that of the total volume of bilateral trade, Mexican exports equal ECU2.7 billion, while Mexican imports from the EU equal ECU7.3 billion. Galvin explained that during 1993, 8.9 percent of all Mexican exports were to the EU, while 14.9 percent of total imports were from the same region. (Mexico City EL FINANCIERO in Spanish 6 Oct 94 p 21)

According to information recently released by the National Bank of Mexico, BANAMEX, foreign investments in Mexico decreased 60 percent in the second quarter of the year compared to the same period last year. Analysts point to the uncertainty surrounding the elections and political and social events as the main reasons for the decrease. Nearly $2.935 billion were invested in Mexico between April and June 1994. This represents approximately one-third of the 9.476 billion invested in Mexico during the first quarter of the year. (Monterrey EL NORTE (foreign edition) in Spanish 7 Oct 94 p 31a)

The Foreign Relations Secretariat announced that Mexico and the Republic of Korea have signed an agreement to prevent double taxation and income tax evasion. The agreement was signed by Foreign Relations Secretary Manuel Tello and Yi Sang-chin, the Republic of Korea's ambassador to Mexico. This is the first time such an agreement has been signed between Mexico and an Asian country. (Mexico City LA JORNADA in Spanish 7 Oct 94 p 48)

A 6 October Mexico City datelined report cites the Energy and Mines Secretariat as announcing that $30 million will be invested in mining for gold, silver, copper, lead, and other minerals on 59,000 hectares of state-owned land. The report reveals that 11 concessions were granted in January, April, and July, and the projects will be developed throughout Sonora, Oaxaca, Nayarit, Chihuahua, Guerrero, Mexico, Zacatecas, and Guanajuato. The report adds that the Mexican Government has freed 5.2 million hectares of mining reserves in the last two years, which represents 96 percent of the land withheld until 1988. (Madrid EFE in Spanish 0140 GMT 6 Oct 94)

Angel Ramirez Castillo, chief clerk at SECOFI, reported that foreign investment totalled $41.471 billion over the first five years of the current administration, which exceeds the goal established in the 1989-94 National Development Plan by 74 percent. The government official reported the distribution of foreign investment by sector as follows: manufacturing, 47 percent; services, 31 percent; trade, 15 percent; construction, 3 percent; transportation and communication, 2 percent; and agriculture and mining, 2 percent. The information adds that approximately $9 billion were collected as a result of foreign investment between January and August, which represents a 29-percent increase compared with the same period in 1993. (Mexico City EL FINANCIERO in Spanish 6 Oct 94 p 7)

Mexican Cement Company, CEMEX, sales for the second quarter of 1994 rose to 2.5 million new pesos, which is a 9-percent increase compared with sales for the same period in 1993. According to the information from Mexico's stock exchange, CEMEX's gross profits rose 45.3 percent during the second half of 1994, compared with 42.4 percent during the same period in 1993. Moreover, negotiations which concluded during the second quarter of 1994 allowed CEMEX to purchase 54 percent of the shares in Vencemos, a Venezuelan cement company, for a total of $320 million. (Mexico City EL FINANCIERO in Spanish 6 Oct 94 p 17)

The Finance and Public Credit Secretariat announced that industrial production in Mexico increased 4.5 percent this past July compared to July 1993. According to the announcement, during the first seven months of the year, industrial production increased 2.8 percent. The sectors with the biggest increases were electricity with 10.2 percent; construction with 9.1 percent; manufacturing with 3.5 percent; and mining with 0.9 percent. The Finance Secretariat also reported that the manufacture of capital goods increased by 4.7 percent, intermediate consumer goods by 3.8 percent, and final consumer goods by 1.6 percent. (Mexico City UNOMASUNO in Spanish 7 Oct 94 p 19)

Juan Aurique, president of the National Association of Mexican Importers and Exporters (ANIERM), said Mexico's trade deficit was $15.823 billion between January and August. He also predicted that by the end of the year, the trade deficit will total $18 billion. Mr. Aurique said the federal government must improve the current policies for controlling the deficit so the appropriate mechanisms can be implemented rapidly when necessary. The ANIERM president described NAFTA as "extraordinary" for Mexico as trade with the United States has reached nearly $96 billion in the first year, which represents a $14-billion increase over 1993. As for trade development, the ANIERM president indicated that "during 1989-93, trade between Mexico and the United States increased $8 billion annually." Mexico's deficit problems, according to Aurique, "center primarily on its trade with Asian countries such as China, Korea, and Hong Kong, which amounts to $10 billion." (Mexico City EL FINANCIERO in Spanish 7 Oct 94 p 18)

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El Salvador

Parties Reportedly Mired in Internal Struggles

PA1010014894 Panama City ACAN in Spanish 1513 GMT 9 Oct 94

[Report by Cristina Hasbun de Merino]

[FBIS Translated Text] San Salvador, 9 Oct (ACAN-EFE)—Left, center, and right-wing political parties are experiencing serious internal differences that they all justify as a "reorganization necessary" for facing the new conditions of peace that the country has been living since the end of the war in January 1992.

The largest political forces, the governing Nationalist Republican Alliance (ARENA, a right-wing party) and the former guerrilla Farabundo Marti National Liberation Front (FMLN), which signed the peace agreements, are arguing, within their parties, about scandalous charges that they have been unable to shield from the public.

Accusations of corruption against top government officials by sectors in their own parties have created great expectations among a population that has already witnessed the progressive deterioration in relations among the five FMLN groups, as well as the continuing internal struggle for power in the Christian Democratic Party [PDC].

Recorded statements forwarded this week by Colonel Sigifredo Ochoa Perez, former Salvadoran ambassador to Argentina, confirmed the existence of internal strife in ARENA. President Armando Calderon Sol tried to minimize the import of these statements by saying that party unity is immutable.

Attorney General Romero Melara Granillo has charged that Ochoa embezzled $2.1 million from the state electricity company in 1991. The officer, who resigned from the Army to join ARENA in 1986, has not only defended himself from the legal charges but has also accused Guillermo Sol Bang, president of the executive commission of the Lempa River Hydroelectric Executive Commission (CEL), of acting vindictively toward him over political differences.

Calderon Sol has asserted that the public controversy between the two prominent members of his party will not undermine ARENA's unity. ARENA has been in power since June 1989. The party is holding a closed-door regular convention in a San Salvador hotel today.

For their part, internal differences among FMLN factions seem to be irreconcilable, to the point where one of the factions, the People's Revitalizing Expression (ERP), has proposed, although not formally, that the party be dissolved. The FMLN was legalized on 14 December 1992 at the culminating moment of the peace pacts. According to Legislative Assembly President Ana Guadalupe Martinez, who is also a member of the ERP, "it is best to dissolve it and for each to take the path it finds most appropriate."

With these statements, Martinez responded to this week's "public exhortation" by the Communist Party that the ERP and the National Resistance (RN) "should consummate the separation from the FMLN that they have initiated and in fact practice." The Communist Party is led by Shafik Handal, who is also the FMLN's general coordinator.

The distension of the crisis in the former guerrilla ranks was prompted by top ERP leader Joaquin Villalobos' criticism of the Farabundo Marti Peoples Liberation Forces' (FPL) support for the occupation of the Legislative Assembly by demobilized soldiers during the latter part of September.

The ERP maintains that the FMLN, which has been "the instrument for change" in the country, "is not the patrimony" of any of its organizations and must remain as "part of our history." This organization has called the National Council to an "urgent" meeting, which is also been held behind closed doors at a hotel in San Salvador today. The meeting will probably result in a proposal to dissolve the FMLN, according to sources close to this organization.

Meanwhile, the PDC has asked the Christian Democratic Organization of America (ODCA) to send a mission to the country to mediate in the party's internal conflict. According to its leaders, the party is "going through a critical and difficult situation."

PDC bloc leader Miguel Espinal declared that his organization has been facing serious internal divisions since 1986. The differences have grown more serious in the past two years. Now "we will attempt to resolve them with the help of our ODCA brothers."

Furthermore, internal problems in political organizations since the signing of the peace accords have also developed in the conservative National Conciliation Party (PCN) and other smaller parties that are looking to "reposition themselves" in the country's new-found peace.

New Rightist Party Established

PA0910021194 Panama City ACAN in Spanish 1849 GMT 7 Oct 94

[Report by Cristina Hasbun de Merino]

[FBIS Translated Excerpt] San Salvador, 7 Oct (ACAN-EFE)—Rightist sectors in El Salvador have announced the establishment of a new party inspired by an anti-communist spirit and considered a splinter of the ruling Nationalist Republican Alliance (ARENA), which is apparently currently afflicted by one of the most serious crises it has experienced since assuming power in 1989.

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Controversial lawyer Kirio Waldo Salgado, the leader of the new political organization, said today that the founding ceremony will take place on 15 October at a hotel in the capital. He added that the party will be registered with the Supreme Electoral Tribunal in the second half of November. In an interview with ACAN-EFE, Salgado denied that the new group, which will be called Democratic Liberal Party [Partido Liberal Democratico, PLD], is a splinter of ARENA, as opposition political forces claim, because "I have never been a member of that party." But he pointed out that "dissidents" from the government party may join the PLD "if they share our principles" of "democracy, progressive nationalism, and the people's well-being."

Kirio Waldo Salgado, who has recently been promoting a campaign to denounce corruption among high-ranking officials in Armando Calderon Sol's government, insisted that the new group's ideology is that of a "progressive, liberal right wing." "Our option is the right wing, and we want to establish a new and serious political class to help change the structure of injustice and exploitation in El Salvador. Our customers are progressive capital, the middle class, and the masses," he added.

Salgado pointed out that his corruption charges, which have prompted certain high-ranking officials to make public statements and judicial authorities to conduct the corresponding investigations, "have not been motivated by problems that might exist within ARENA." According to Kirio Waldo Salgado, the ruling party is divided into three groups "that are clearly distinguishable, a gilded clique that supports President Calderon Sol, another gilded clique that supports former President Alfredo Cristiani, and the nationalists who supported Roberto D'Aubuisson."

D'Aubuisson, who died of throat cancer in February 1992, was a controversial retired Army major who founded ARENA in September 1985. He was accused by the Truth Commission, which investigated war crimes, of having organized the "death squads."

When asked whether his future party could be made up of D'Aubuisson followers, Kirio Waldo Salgado said: "I was never a follower of D'Aubuisson. I am a follower of Cicero. There is a big difference between the two."

ARENA leaders like Deputy Juan Duch told ACAN-EFE that Salgado has never been a member of their party and attributed his charges and statements to the "freedom of expression" that now reigns in the country.

President Calderon Sol this week denied that there are divisions within his party but admitted that there are "differences" of opinion among certain members that stem from "the dynamics of the democratic process that is establishing the norm."

Recent charges of corruption leveled by Prosecutor General Romeo Melara Granillo at Colonel Sigifredo Ochoa Perez, the former Salvadoran ambassador to Argentina, and the latter's reply from abroad to these charges seemed to confirm the existence of an internal struggle within ARENA, once which Calderon Sol has categorically denied. [passage omitted]

'Breakup' of FMLN Assessed

PA0610150994 San Salvador EL DIARIO DE HOY in Spanish 1 Oct 94 pp 2, 3

[Unattributed report: "The Left Is Crumbling"—passages within italics as published; all quotation marks as published]

[FBIS Translated Text] *Joaquin Villalobos calls his former FMLN [Farabundo Marti National Liberation Front] partners "Stalinists." He is now preparing for his departure. This is why he is realigning his forces. His detractors and the representatives of other leftist factions are calling him names: "Liar! Swine!" Ruben Zamora has said, "All of this is a struggle to gain power," adding that it is better to dismantle the FMLN than to allow the crisis to continue.*

The five groups are splitting. However, not only huge conceptual gaps divide them. There is also mistrust and resentment, and, above all else, they seem to be at the verge of chaos.

The crisis is so huge at least one of the five leaders refuses to attend FMLN meetings. "I do not attend the meetings, because I was suspended," Villalobos said. He then called the others "Stalinists." The Communist Party's Shafik Handal pointed out that despite invitations, Villalobos has refused to attend meetings. Who is lying, and who is telling the truth?

Without ideological guidance or leadership, the Salvadoran Left is struggling to survive amid democracy, and instead of adjusting by uniting, it is breaking apart faster than many can believe.

The complete breakup seems to get closer every day, and at least part of the Left has begun to "reorganize itself" as a way to prepare for the collapse.

Several events have contributed to the divisionist atmosphere. The latest event was the takeover of Congress by a group of demobilized officers. As the takeover was taking place a few days ago, the silent accusations became common knowledge and marked by name-calling.

The postwar division is evident now that at least one of the FMLN factions, the ERP [People's Revolutionary Army], has threatened to leave and become a political force on its own. "The FMLN is the horse we are currently riding," the ERP said a few months ago. Nowadays, this organization is seriously considering the possibility of "replacing the old horse with a fresh one."

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"Anarchists!" Villalobos yelled to his old political companeros with whom he never met again. This is the same as calling them extreme leftists, and his adversaries know it.

The PRTC [Revolutionary Party of Central American Workers], another of the five FMLN factions, is not remaining silent before Villalobos. As if he were watching the political scaffold Fidel Castro helped build in 1979 crumble, Manuel Melgar, one of the main PRTC leaders, pointed out: "We believe Villalobos' purpose is to create differences within the FMLN. He may have considered breaking away from the FMLN and is seeking a pretext to do it."

More Than a Passing Crisis

What is happening to the FMLN? This is more than a passing crisis; there is no doubt about it.

Villalobos explained the situation as getting away from a group of ill-adjusted people who are conspiring against the democratic system and who are ignoring the fact that the only thing they have achieved is making people "fear" them.

Former FMLN presidential candidate Ruben Zamora, one of the main leftist leaders, believes just the opposite: What they have on their hands is a temporary [sucesorio] problem. He underscored that "a struggle to gain power is the main reason we are having difficulties; it is an organizational problem—who is in control and who inherits the FMLN legacy."

However, displaying the toughness that characterized him during his Marxist-Leninist past, he revealed an controversial position to EL DIARIO DE HOY: "If no one will inherit it, we better destroy it."

Breaking Away From the Past

Joaquin Villalobos, who followed the terrorist path to change the political and socioeconomic structure during 12 years of attacks on the country, has now decided to attack his former accomplices, accusing them of failing to renounce their previous line of work. As an "enfant terrible" determined to transform the FMLN from within, he claims to be a social democrat.

During an interview he granted yesterday to EL DIARIO DE HOY, he even used language that—even if some believe it is insincere—is different from that used by some of his fellow party members. It is here where he resembles Ruben Zamora, who has tried to move as far away as possible from his former companeros.

"We believe in the right to own personal property and in the right to amass wealth. It does not offend us that some companeros could have money. It is a sin for them, however; it questions the system," Zamora pointed out after saying he does not distrust the market economy.

Villalobos believes many of his FMLN partners are wrong. He also has decided to become a sort of informer considering he accused other factions, such as the FPL [Farabundo Marti Popular Liberation Forces], of being responsible for the takeover of Congress or of being linked to the arms caches found in Nicaragua.

For these and other reasons, they are called anarchists and extreme leftists who will lead the FMLN to doom. "They will not last two elections if they insist on practicing this style of politics, especially if they maintain their defying and negative image," he added.

Is it a political maneuver? Maybe. But he argued that they want to be seen as a viable government option. This is why, foreseeing a looming breakup, Villalobos has begun reorganizing his forces.

He was asked if the ERP could become a political party at any given time as a result of the regrouping of forces.

"We are working in both directions, he responded. On one hand, we have regrouped our forces with the National Revolutionary Movement, which was formerly a social democratic group, the National Resistance [RN], and the ERP. We have thus regrouped social democratic forces."

For the political analysts, the "regrouping" of forces promoted by Villalobos is nothing more than the representation of the man who picks up his stuff from the house to leave.

His aspirations seem to reveal this. We believe, he said, that this is a viable alternative for the country; a democratic party that endorses the struggle for social justice within a democratic system that respects, in general terms, the political system."

Clear Division

The division is so clear that Villalobos no longer attends the meetings, and he doesn't even want to come close. He demands that other groups be the ones to come to him.

"We are waiting for them, but we don't know if we are going to get tired. We don't want to be identified with them. We are not going to go to them. They must come to us. We want to keep our distance. We don't want to be categorized with them. The country is scared of them," he remarked.

The war drums are sounding. Villalobos' personal strategy also demands that his former comrades walk toward him, because he will not advance toward them. But following the statements made by other FMLN leaders, it seems the collapse of leftist forces will be a fact in no time.

FPL leader Facundo Guardado yesterday called Villalobos a "liar." "He wants to put on a show," said Manuel Melgar of the PRTC. The level of offenses increases with time, which leads one to believe the FMLN is doomed. "The break will be inevitable," a leftist leader has told EL DIARIO DE HOY, asking not to be identified.

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While the leftists accuse each other and sully each other's reputation, Ruben Zamora, former FMLN presidential candidate, has said that things "have fallen to a level of offenses the country does not deserve."

Zamora made the aforementioned statements after recognizing that the problem within the FMLN is "basic" and the difficulties are becoming "more complicated and difficult to resolve."

Zamora's Fear

Zamora is afraid of erosion in the FMLN because it will involve all leftist groups. In an indirect response to Villalobos' accusations that the FPL was involved in the recent takeover of Congress, he warned: "You would be fooling yourself if you thought that an opposition party would never attack anyone. If that were true, we may as well have joined the government party."

He also recognized that the problem they are facing is how to be the opposition after saying "we must avoid being a negative opposition in the sense of opposing every government initiative just because it comes from the government."

To begin with, Zamora remarked, to oppose is not to insult one's comrades. He made this statement as a direct attack against the position assumed recently by Villalobos.

For Zamora, the FMLN has only two alternatives: "Either the five parties disappear and make way for the FMLN, or the FMLN disappears." In the end, this is perhaps the greatest challenge posed by the possible departure of Villalobos.

While Villalobos hopes to receive the endorsement of the remaining FMLN groups (FPL, PRTC, and the PC [Communist Party]; the RN has reportedly already approached him), FPL leader Facundo Guardado admitted "there is a realignment of forces in the country affecting all political, social, and economic forces. I think it is best that during this realignment each group identify its interests and goals and, on that basis, define its future strategy."

In clear reference to the main detractor within the FMLN, Guardado said they do not admire the neoliberal system.

Guardado added: "That separates us from those who have a fascination with the Right and the system which we repudiate."

For Guardado, the problem within the FMLN is of a different kind: "There is a group of people who envy the FPL; they cannot hide it."

Villalobos has accused the FPL of "anti-system behavior." "They do not believe in democracy as a political system."

According to various political analysts, the known positions within the FMLN represent the beginning of the largest break that in that group since its founding on 10 October 1980.

Guatemala

Military Prepares To Depart for Haiti Mission

PA1110233894 Guatemala City Teleonce Television in Spanish 1900 GMT 11 Oct 94

[From the "Telepress" newscast]

[FBIS Translated Text] The Defense Ministry today held an official ceremony to bid farewell to the Guatemalan mission that will join this week the international efforts toward the reinstatement of democracy in Haiti.

The Guatemalan delegation will comprise two high-ranking officers, 10 subaltern officers, two Military Police platoons, one civilian affairs detachment, and one medical platoon. The 132-member mission will include a total of 12 officers and 120 soldiers.

In addition, the United Nations has requested the participation of two Guatemalan Army officers to join the observers mission that will follow up the multinational mission in Haiti.

The mission will be made up of military personnel from six countries—Guatemala, France, Belgium, New Zealand, Brazil, and Ireland. Guatemala's participation, through its Army, in the multinational mission involves no expenses for the Guatemalan Government because the costs will be covered by the United Nations.

The multinational mission will provide humanitarian assistance to the Haitian population to support political stability in that country.

Bomb Explosion in Guatemala City Reported

PA1210043094 Hamburg DPA in Spanish 0400 GMT 12 Oct 94

[FBIS Translated Text] Guatemala City, 11 Oct (DPA)—A device exploded this evening on the outskirts of Guatemala City, causing damage but no casualties.

The device, which was apparently left behind a tree, exploded only 35 meters from a Police barracks. The barracks was not affected by the explosion, although some automobiles, buses, and houses in the area were damaged.

There have been several terrorist attacks in the Guatemalan capital in September which have resulted in the death of a minor and considerable damage.

Minister Urges URNG To Abandon 'Useless Struggle'

PA0610155694 Guatemala City PRENSA LIBRE in Spanish 3 Oct 94 p 2

[FBIS Translated Text] Commenting on recent guerrilla actions, Defense Minister General Mario Rene Enriquez

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Morales said the Guatemalan National Revolutionary Unity, URNG, as a military force no longer affects the state's stability.

Enriquez said the guerrillas' armed struggle is capricious, considering that their postulates have disappeared with the fall of Marxism-Leninism.

Enriquez urged the URNG to join society and help find solutions for the country's social and economic problems.

The Army has clearly won the war against the URNG in the military arena, he said. He admitted that the guerrillas had a chance to win in the early eighties when support for Marxism-Leninism was strong in Central America, but those doctrines are now obsolete, he added.

Enriquez said the URNG did a good political and ideological job in the country during that decade, but today no one wants to hear about Marxism-Leninism.

An Army for Peace

Enriquez said the Army's mission is to preserve peace and defend national sovereignty as stated in the Constitution.

He added that the Army supports President Ramiro De Leon Carpio's efforts to sign a peace agreement this year, if possible.

The URNG should realize that the new world order responds to people's desire for peace and disarmament. They should realize it and give up their useless struggle.

Enriquez deplored the cost of the war against the URNG, without specifying the number of victims of the armed conflict that has lasted 34 years.

Army Admits Sustaining 51 Casualties from January to September 1994

The Army's Information and Press Department, DIDE, has admitted that the rebels have inflicted 51 casualties on the Army and that 69 soldiers have been wounded in clashes with the guerrillas from January to September 1994.

According to statistics, 10 rebels were killed in combat, and only one was reported wounded. The report also notes that as a result of the domestic war, eight civilians have been killed and 17 wounded.

The organization said that so far this year, government troops have had 23 clashes with the guerrillas in various parts of the country.

Honduras

President Reina Authorizes Military Draft

PA0710154794 Tegucigalpa EL PERIODICO DE HONDURAS in Spanish 5 Oct 94 p 11

[FBIS Translated Text] Tegucigalpa—Despite the big fuss over the approval of a voluntary educational military service, the Armed Forces were yesterday authorized to draft youngsters to serve in the Army battalions. This distressing agreement was delivered yesterday to the national press, resulting in all kinds of reaction because of the great fuss generated over the approval of a more sophisticated military service.

This agreement establishes that the regulation will be provisional while the reforms to Article 276 of the Constitution, which created the Educational, Voluntary, Humanitarian, and Democratic Military Service last April, are ratified.

The Transition Regulation establishes that the maximum authority regarding military conscription is the president of the Republic, who will exercise his duties through the government and justice minister and the commander-in-chief of the Armed Forces.

The Draft

The presidential agreement establishes the structure of the miltary conscription system, creating the National, Regional, Departmental, and Municipal Board, which will consist of civilian and military authorities at each of the levels previously cited.

According to the regulation, President Reina will draft the annual ordinary and special contingent, in accordance with the proposal by the commander-in-chief of the Armed Forces.

As a second step, the National Draft Board will ask the National Registry Office to prepare a list of eligible citizens to serve in the military, classifying them by municipality.

Military Drawing

In open town council meetings, the Municipal Draft Board will hold drawings to select eligible and ineligible candidates for each locality.

The drawing must be held in public, in open town council meetings, in the presence of the media and citizens who appear on the corresponding lists. A ballot box and any other mechanism guaranteeing clean procedures must be used in the drawing.

The Transition Regulation will be published in the next few days in the official daily LA GACETA, at which time it will enter into force.

Minister Warns of Problems in Banana Exports

PA0810010894 Mexico City NOTIMEX in Spanish 1804 GMT 7 Oct 94

[FBIS Translated Text] Tegucigalpa, 7 Oct (NOTIMEX)—Delmer Urbizo, the Honduran economics and commerce minister, warned today that several Latin American countries could have problems selling their bananas in the United States because of agreements signed with the European Union (EU).

He said the decision made by Colombia, Costa Rica, Nicaragua, and Venezuela to sign a quota agreement with

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the EU was prejudicial to the interests of banana-producing countries and U.S. companies, adding the countries that signed the agreement with the EU increasing the 2-million ton quota set in 1993 impaired other nations and U.S. companies, and this signing could encourage a reduction of banana imports to the United States.

A European court, located in Brussels, Belgium, rejected on 5 October the motion filed by Germany opposing the EU executive ordinance restricting Latin American banana imports.

"That rejection is a setback for those countries that promote a free banana market," the official told the local media.

The government official called for the Latin American banana producers to unite and reach a consensus that will allow us to continue the struggle against the European market restrictions imposed during the so-called "banana war."

The system of quotas, signed by Nicaragua, Costa Rica, Colombia, and Venezuela, was to have come into effect on 1 October, but it was postponed until an undetermined date due to the lack of consensus among the banana-producing nations.

Urbizo said should Honduran bananas be unable to enter Europe, "we would have to find another market for the fruit, and the United States is the largest market."

Bananas were Honduras' main exports in 1993, when their sales amounted to approximately $230 million, but coffee exports have surpassed banana exports in 1994, because international coffee prices have increased and because freezes affected coffee plantations in Brazil, the world's largest coffee producer.

Dismissed Banana Workers Occupy Farms

PA0810001294 Panama City ACAN in Spanish 1838 GMT 7 Oct 94

[FBIS Translated Text] Tegucigalpa, 7 Oct (ACAN-EFE)—Hundreds of Honduran banana workers who were dismissed by the multinational "Tela Railroad Company," a subsidiary of "United Brands," have armed themselves with machetes and occupied four farms that had been closed down by the company in La Lima, a town located in the northern part of the country.

The workers occupied the farms La Curva, Copen, Tacamiche, and San Juan, which have remained closed and without police protection since last July when the U.S. multinational company decided to dismiss more than 400 workers.

German Zepeda, leader of the Trade Union of Tela Railroad Company Workers (Sitraterco), has told ACAN-EFE that more than 400 dismissed workers have occupied more than 600 hectares of land in order to plant basic grains instead of bananas.

The Tela Railroad Company, one of the companies that has been in the banana business in Honduras since the start of the century, closed the farms last July following a 30-day strike staged by more than 6,000 workers who were demanding wage increases.

Following the closing of the farms, some 200 women and more than 400 workers employed at the company's installations were suspended indefinitely, Sitraterco has informed.

Bananas are Honduras' major export product, and the current harvest will yield 36 million boxes of bananas, weighing 18 kg each, according to the Economy and Commerce Ministry.

Sales of Honduran bananas have declined due to the restrictions on the Latin American product imposed by the European Union in 1993.

Economics Minister Delmer Urbizo has said Honduras is seeking to sell a surplus of approximately 8 million boxes of bananas in other markets.

The Honduran Government could sell this banana surplus to Arab countries, Belgium, or the PRC according to Urbizo.

Nicaragua

Foreign Minister Cited on Ecology Summit Topics

PA1110202494 Managua Radio Nicaragua Network in Spanish 1200 GMT 11 Oct 94

[From the "News 2,000" broadcast]

[FBIS Translated Text] Foreign Minister Ernesto Leal has said at a news conference the main topics of the Central American Ecology Summit concern economic and political issues. The topic of investment has been of great importance for the isthmus or for those countries that want to sign a free trade agreement with the United States. This issue requires, however, a transition period that will permit a reshaping of existing production structures in the region.

A meeting of delegates will be held today to analyze the proposed, sustained development policy and the possibility of signing a Central American agreement for sustained development.

As part of the resolutions of the first ecology summit, it is expected the regional presidents will sign a declaration and endorse the Masaya Volcano Action Plan.

Police Director on Summit Security

PA1110045494 Managua Radio Sandino in Spanish 1200 GMT 10 Oct 94

[From the "Events" newscast]

[FBIS Translated Text] The Central American presidents and U.S. Vice President Al Gore will meet in

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Managua this week for an ecology summit. Here is Commander Fernando Caldera, director of the National Police, with the details of the security plan for the event.

[Begin Caldera recording] We have a force of 1,260 men for the summit, including more than 1,000 policemen. We will also have the support of the Army, which will reinforce the police operation with approximately 160 to 200 men. Several Central American presidents are expected, as are the Panamanian president, the U.S. vice president, a representative from ONUCA [UN Observers Group in Central America], the OAS secretary general, and special guests. It will be a [word indistinct] action for the police [words indistinct] the activities will take place mainly in Managua, with possibly one event outside Managua, for which we will provide security. We have organized the forces and installed security control equipment at hotels and other places. We have drafted a plan and are implementing it. There is excellent coordination among the institutions involved, including the Foreign Ministry, which has played a key role in organizing the event, as well as other government institutions. Everything is well coordinated. [end recording]

Panama

President: 'Nothing Definite' on Asylum for Cedras

PA1210153094 Panama City Circuito RPC Radio in Spanish 1356 GMT 12 Oct 94

[Report by Fabio Pino and Jose Lemo Jimenez]

[FBIS Translated Text] [Lemo Jimenez] We are at Marcos A. Gelabert Airport in Paitilla. President Ernesto Perez Balladares will be leaving for Nicaragua in a few minutes from here to attend the Central American Ecological Summit. He has arrived at the airport with a retinue. He and the Panamanian foreign minister will be holding talks at the summit with leaders from other countries. Pino now has a statement from the Panamanian president.

[Pino] The president told us a few seconds ago Raoul Cedras cannot come to Panama while he is out of the country:

[Begin recording] [Perez Balladares] Nothing is definite. I believe you know the government's position as well as I do. The foreign minister has reported this position. The position is that I would consider it only if President Aristide makes a formal request; otherwise, I would not consider it.

[Unidentified reporter] Certain sources have said Raoul Cedras' arrival in Panama is imminent.

[Perez Balladares] It is I who must make that decision, and I have not made it.

[Reporter] What do you think about the Arnulfist Party's comment that Panama is giving asylum to gorillas?

[Perez Balladares] I respect the opinion of all Panamanians. Perhaps the individuals who made this comment are limited to making this type of statement, considering especially that there is no precedent.

Anyhow, I will say I regret that they, as a political group, have not looked beyond their limited political horizon to see the nation's interests.

[Reporter] If [words indistinct] Aristide were to file an asylum request would you grant it?

[Perez Balladares] Not necessarily. I would adopt a decision if President Aristide requests it.

[Reporter] [Words indistinct] would you accept his coming here following your return from the ecological summit?

[Perez Balladares] He cannot come here until I make a decision in that regard.

[Reporter] Have you talked with President Aristide on the telephone?

[Perez Balladares] No, I have not. [end recording]

[Pino] This is what President Perez Balladares said a few minutes ago. He broke a pattern today of not issuing any statement to the media before a trip. He even invited certain journalists today to accompany him to the ecological summit.

He is being accompanied by Foreign Minister Gabriel Lewis Galindo, Planning Minister Guillermo Chapman, and Rolando Guillen, director of the Institute of Renewable Natural Resources.

[Lemo Jimenez] There is some contradiction between what a presidential spokesman said yesterday during a news conference and what President Ernesto Perez Balladares has publicly said today, discarding everything that had been said earlier.

He denied that talks have been held on the issue with Haitian President Jean-Bertrand Aristide. He failed to fix a Panamanian position on the issue.

[Pino] An important Foreign Ministry source has reported, however, that in the afternoon, around 1400 or 1500, the government will issue an official communique to report on the arrival of General Raoul Cedras, in contradiction with what President Perez Balladares said a few seconds ago.

[Lemon Jimenez] There is talk in the United States about Raoul Cedras traveling to Panama today. Official Panamanian Foreign Ministry sources are also talking about Cedras arriving in Panama tomorrow.

Presidential Spokesman on Cedras Asylum Request

PA1110170294 Panama City Radio Exitosa in Spanish 1620 GMT 11 Oct 94

[Report by David Serrano Morales from the Office of the Presidential Spokesman in Panama City—live]

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[FBIS Translated Text] A news conference has just concluded during which Mario Velasquez, spokesman for the president, discussed the possibility of Panama granting asylum to Haitian General Raoul Cedras.

Velasquez said this possibility is being considered as the result of U.S. Government consultations with the Panamanian Government. The government is conducting all necessary consultations with the country's leading political forces.

Speaking to the press, Velasquez said that asylum for Cedras might be granted under certain conditions:

First, his expenses would be defrayed by those in exile, in this case, by Philip Biamby and Cedras.

[Begin Velasquez recording] The Panamanian Government has invited local journalists here to hear some remarks on the possibility of Gen. Cedras coming to Panama.

The Panamanian Government has received an asylum request from Cedras and Biamby, who would be accompanied by their families. This request has been relayed via the U.S. Government through normal channels.

Regarding this request, the highest level of the Panamanian Government is holding consultations with the country's leading political forces, the media, and representative sectors of the Panamanian community in order to use their opinion as a basis for a decision.

The Panamanian Government would especially like to point out that the possibility that this pardon [as heard] which may be granted is conditional. The terms include that the people receiving asylum must assume all their own expenses and that if asylum is indeed granted, it would be at no cost to Panama.

The Panamanian Government also wants to point out that no decision has yet been made. Any report to the contrary disseminated by the international media does not coincide with the reality of what the Panamanian Government is doing right now.

[Unidentified reporter] Why has this report been so (?delayed)? It is being released after international news agencies reported that Gen. Cedras had arrived in the country.

[Velasquez] The process of the request for asylum for Cedras and Biamby started around midnight last night. Consequently, the consultation process did not get started any earlier. Any news agency reports about Cedras coming to Panama are just speculation.

[Reporter] Where would Gen. Cedras live?

[Velasquez] Thus far, we cannot say where they would live here with their families. Naturally, there would be security considerations. Obviously it will have to be a hotel, a place that can offer them lodging and food.

[Reporter] How long will the consultations last and [words indistinct]?

[Velasquez] A timeframe for consultations has not been established. There is no time frame for that. All political sectors in the country—both opposition and government—are being consulted.

[Reporter] I am asking you about the period for consultations, because Cedras faces a set deadline for leaving his country.

[Velasquez] Obviously, consultations of this sort on this topic would be done over a specific, short period, but there is no fixed time for this.

[Reporter] Some media have reported on the time of Cedras' arrival. But he has until Saturday [15 October] to leave Port-au-Prince. On approximately what day is Cedras scheduled to arrive in the country?

[Velasquez] First, I think that the arrival of these gentlemen has to be subject to the Panamanian Government actually granting the request for asylum, after the Panamanian Government feels that the conditions set for their coming here have been met and that there is a general favorable climate, both on the part of national political forces and public opinion, toward granting this asylum.

This is nothing new in our history, because historically our country has not just been a transit point, but a place for asylum. Even when we weren't a republic, in the middle of the last century, Panama always fulfilled this historic role.

[Reporter] [Words indistinct] was speculated about Cedras' arrival. What will be the facilities [words indistinct] given the closely held way in which the Panamanian Government has handled this matter?

[Velasquez] I consider—and this is the government's decision—that the national and international press, in the event that the Haitian generals arrive in our country, will be afforded all the necessary facilities for covering their arrival, will have access to the area where they arrive with their families, and will be able to organize an initial news conference.

I want to say that normally in cases of political asylum, those granted asylum cannot voice their opinions on the issues.

The Panamanian Government has nothing to hide in this matter and is disposed to offer all kinds of facilities for journalists to carry out their work.

[Reporter] Your last statement, Mr. Mario Velasquez, leads us to understand that you are reaffirming what our correspondent in Miami said yesterday afternoon about President Bill Clinton speaking with President Ernesto Perez Balladares, who told him that we would grant political asylum. Is this taken for granted?

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[Velasquez] No, no at all. The Panamanian Government—and I hope this is made very clear—has not granted asylum as of this moment. The Panamanian Government has received a request for asylum which it is studying under the terms which I have explained to you. [end recording]

Aristide Agrees To Exile

PA1110210894 Hamburg DPA in Spanish 1907 GMT 11 Oct 94

[FBIS Translated Text] Panama City, 11 Oct (DPA)—Jean-Bertrand Aristide, Haiti's constitutional president, has agreed to the Panamanian Government's offer to grant asylum to generals Raoul Cedras, Henry Biamby [name as received], and 12 other military members and their relatives, a high-ranking source at the Panamanian Foreign Ministry told DPA today.

The Panamanian Government has agreed to receive the generals if President Aristide agrees to it, if the U.S. Government pays for their expenses, and if the Panamanian people accept these refugees.

Raoul Cedras and Henry Biamby told the United States that they wanted to reside in that nation following their departure from Haiti, the source said.

President Bill Clinton and former U.S. President Jimmy Carter yesterday passed on the Haitian military leaders' request to reside in this Central American nation.

Panamanian President Ernesto Perez Balladares has offered Cedras asylum on several occasions if this would help forestall an invasion of the Caribbean nation.

According to the source, a governmental commission has currently initiated consultations with the different sectors of the public to reach an agreement to allow the granting of asylum to the Haitian coupists.

The same government source said that he "does believe Cedras and his collaborators will come to Panama."

Deputies Ask President To Consult

PA1210001294 Panama City Circuito RPC Television in Spanish 2300 GMT 11 Oct 94

[Report by Luis Alberto Jimenez; from the "RPC Television News" broadcast]

[FBIS Translated Text] Legislative Assembly President Balbina Herrera today urged the president to consult with various groups in the country about the possible arrival of Raoul Cedras as a political refugee

[Begin Herrera recording] This decision should not be made exclusively by the president and the foreign minister. Different groups must have their say. It is important to listen to the views of those groups, because if we are committed to seeing that Panamanians can speak up through their representatives, I believe we must heed their opinion on a topic like this; that is, granting political asylum to former military head Cedras. [end recording]

Meanwhile, Oyden Ortega, PRD [Democratic Revolutionary Party] legislator and president of the Foreign Relations Committee, stated that this decision must be subject to preestablished conditions.

[Begin Ortega recording] Panama must impose certain conditions. One condition should be that President Aristide make the asylum request. Another condition should be that Raoul Cedras make repeated calls to his troops or former supporters to allow the UN organizations to function. [end recording]

The PRD legislators made these statements after government sources unofficially announced that President Jean-Bertrand Aristide asked the Panamanian Government to grant political asylum to the former Haitian strongman. This petition is currently being considered.

Unofficial Reports: Cedras Arrived 'Last Night'

PA1110174994 Panama City Radio KW Continente in Spanish 1707 GMT 11 Oct 94

[FBIS Translated Text] According to unofficial reports, Haitian General Raoul Cedras arrived last night. We have reports that high-ranking officials of the Panamanian Foreign Ministry will be taking care of him. They will be in charge of finding a residence for him. In addition, they will also provide all the comforts this political refugee will have.

It must be noted that Cedras was accompanied by his wife and children, as well as his personal bodyguard who will protect him 24 hours a day. This security will be coordinated with Panamanian security guards who will be provided for the Haitian general in our country.

We are at the Immigration Directorate trying to obtain an interview with Immigration Director German Gil Sanchez and additional information on this situation.

Plans for Reverted U.S. Barracks Outlined

PA1110134294 Panama City LA PRENSA in Spanish 8 Oct 94 p A-2

[Report by Jose Otero]

[FBIS Translated Text] Carlos Mendoza, president of the Interoceanic Region Authority (ARI), has said the U.S. military barracks at Amador, Davis, and Gulick, which will revert to Panama next year, will be turned into housing complexes for low-income residents in Colon. He added that the houses at those military installations amount to 1,000 apartments and that they will be distributed to Colon residents.

The process to transfer resources in the Canal area to the hands of the ARI includes Coco Solo Hospital and the 20

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hectares in the antenna field that were donated to the University of Panama recently.

Mendoza has said that additional transfers are not foreseen for this year but that the Espinar, Gulick, and Davis barracks will pass to the ARI in 1995.

The program stipulates a bidding process to build the housing complex will be called. The main objective is to build low-cost, garden-style housing to be assigned to residents who need housing, Mendoza has said.

"Colon has to be transformed from being an island of poverty, and the ARI is planning to help resolve this social problem," Mendoza said.

On this issue, another ARI director, Jorge Rodriguez, has said the program includes 200 housing units that will be built on the property where the Amador barracks are located, 322 housing units which already exist in Gulick and which will revert in 1995, and another 300 houses that are located at Fort Davis and will be transferred to ARI management.

"In sum, there are 622 houses that already exist and will revert to us and another 200 that will be built in the barracks area," Rodriguez added.

It was also reported that the rest of the infrastructure at Fort Davis will be leased out and that Gulick will be lotted and sold in an auction that is to be called.

Colombian Official Urges Preventing Smuggling

PA0910165094 Panama City LA PRENSA in Spanish 8 Oct 94 p 3A

[Report by Manuel Alvarez Cedeno]

[FBIS Translated Text] Colombian Vice President Humberto de la Calle has said it is necessary to intensify efforts to prevent the use of Panamanian territory as a "bridge" to send weapons and drug-processing chemicals from Central America to Colombia.

De la Calle's remarks were made during a news conference at the Chamber of Commerce headquarters when asked about a Panamanian police operation that resulted in the seizure of 18 submachine guns allegedly being sent to Colombian guerrilla drug traffickers.

Panama is used as a "bridge" to transport weapons and drug-processing chemicals from Central America to Colombia, De la Calle said.

"It is necessary to intensify the efforts of our two nations to control this significant and disturbing flow of weapons and drug-processing chemicals, which originates in Central America, from entering Colombia through Panama," De la Calle added.

Panamanian authorities this week seized 19 Minimax submachine guns and arrested a Lebanese citizen as part of an operation aimed at stopping the arms flow toward Colombia.

"Evidently there is a process for transferring the excess of weapons from Central America," said De la Calle, who based his remarks on Colombian police intelligence reports.

After the end of the conflict in Nicaragua and El Salvador, regional authorities have reported that the excess in arms is possibly being sent to Colombian narcoguerrillas.

The vice president also revealed that a number of chemicals for the processing and refinement of narcotics were also entering Colombia through Panama.

According to De la Calle, all this ends up in the hands of the guerrilla forces and drug traffickers, although he did not give further details. The vice president stressed the need to expand legal and police cooperation between the two nations to establish controls along the border, which is one of Colombia's weak points on this issue. In addition, De la Calle said Colombia is accepting its responsibilities before the international community to stop the advance of drug trafficking.

"But we also demand that consumer countries contribute to this policy, because we want to see greater control of drug use and the trade of drug-processing chemicals, produced by the great world powers," De la Calle warned.

Minister Denies Part in Arms Network

PA1110021694 Panama City EL SIGLO in Spanish 10 Oct 94 p 14

[Unattributed report]

[FBIS Translated Excerpt] Government and Justice Minister Raul Montenegro denied yesterday that Panama is part of a gunrunning network that operates between Costa Rica and Colombia.

Montenegro said security organizations are taking the necessary steps to see that the country is not used in gunrunning activities due to its geographic position.

Regarding the high-powered weapons seized in Chilibre Corregimiento last Wednesday [5 October], Montenegro said an investigation is under way and a report will be made on the case.

According to the information provided by Assistant District Attorney Carlos Augusto Herrera, the weapons' serial numbers had been filed off so they could not be traced. It is believed that the weapons were assembled and distributed without documents by the SIDESA firm in Panama City.

Authorities discovered 11 Mini-Max G-2 submachine guns with cartridge clips and silencers in a vehicle coming from the Colon Free Zone in the possession of two Colombians of Lebanese decent.

An international news agency recently reported that a gunrunning network was operating from Costa Rica to

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Colombia using vegetable trucks for its activities. This type of situation is also conducive to drug trafficking. [passage omitted]

Commission To Draft Plan To Fight Money Laundering

PA0910033094 Panama City LA PRENSA in Spanish 6 Oct 94 p 2

[Report by Ibeth Vega G.]

[FBIS Translated Text] The executive has created a top level presidential commission to study and propose to the government a national policy to fight money laundering.

Through Executive Decree 473 of 27 September 1994, the Perez Balladares administration has created a presidential commission that must promote an efficient policy to fight money laundering.

The top-level commission will be comprised of incoming Attorney General Jose Antonio Sossa; Gabriel Castro, director of the Judicial Technical Police (PTJ); Jose Antonio de la Ossa, general manager of the Panama National Bank; and Nestor Moreno, executive director of the National Bank Commission, representing the public sector.

The following people will represent the private sector on the commission: Olegario Barrelier, president of the Panama Banking Association; Ricardo Duran, president of the Panamanian Chamber of Commerce, Industries, and Agriculture; Victor Lewis, president of the Association of Colon Free Zone Users; and Jorge Hernan Rubio, president of the National Bar Association.

Other members of the commission are Colon Free Zone Manager Victoria Figge and Raul Aleman, who will co-chair it. Mercedes Arauz de Grimaldo will serve as the commission's secretary and Eloy Alfaro as its legal adviser.

The chief function of the commission will be to study and draft a national policy to fight the money laundering that stems from drug trafficking. It has 30 days, equivalent to the period it will be in force, to submit its proposal to the executive.

Industrialist Discusses Economic Program

PA1110130594 Panama City Radio KW Continente in Spanish 1700 GMT 10 Oct 94

[From the "Continente Radio News" broadcast]

[FBIS Translated Text] Luis Barraza de Freitas [president of the Association of Panamanian Industrialists] has commented on the economic minister's warnings that the new economic program will probably prompt firms to fold. His comments follow:

[Begin Barraza recording] In general, we believe the companies that have to be supported are the ones that have a high, national, added value. This is precisely what big countries have. They want to keep the ones that provide jobs for their people.

We should not go out of our way for companies that employ only a few people and are really not furthering the country's development. They are benefiting, however, under existing laws. We are concerned, because the economic program, as it stands today, acts as a further disincentive on the use of capital goods used by industrial businessmen or by small and medium industries and does not give them the opportunity to be more competitive.

The service sector, which is the one that represents 80 percent of the gross national product, is not touched. The industrial sector, which is the one that has the biggest unions in the country, is punished much more. The firms in the free zone, the banking area, and the rest, which do not have unions, are not touched.

The government has a serious resource problem. It has to decide whether it will sacrifice several government jobs, a decision which will have a political cost, or whether it will further actions to increase revenue. How is it going to increase revenue? With more taxes. [end recording]

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Argentina

Government Urges Iraq to Comply With UN Resolutions

PY1210012194 Buenos Aires TELAM in Spanish 2338 GMT 11 Oct 94

[FBIS Translated Text] Buenos Aires, 11 Oct (TELAM)—The Argentine Government today expressed its concern about the deployment of Iraqi troops in the border zone with Kuwait.

In a communique that it released tonight, the Foreign Ministry reiterated its "emphatic" support of the resolutions that have been approved by the UN Security Council.

The government also urges the Iraqi Government to "strictly comply with" those resolutions.

Argentina urged that "concrete measures also be adopted that will help to contribute to the reducing of tension in the area, and to achieve an improvement in the difficult situation that is being experienced by the Iraqi people."

"Once again the Argentine Government affirms its adherence to the rules and regulations of international law, and it expresses its clear and firm commitment to the defense of the sovereignty and territorial integrity of the state of Kuwait," the communique states.

Menem Praises Mexican, Brazilian Elections

PY1110120094 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1411 GMT 9 Oct 94

[FBIS Translated Text] Buenos Aires, 9 Oct (NA)—President Carlos Menem has said that Latin America "has never been as predictable as today" because "the main countries in the region have clearly defined their policies through the end of the century."

Menem was referring to the election results in Mexico and Brazil and the 2 October plebiscite in Buenos Aires Province.

The president said: "The message from the public is clear, and we must listen to it. These results have been obtained because there is no better social justice than the recovery of the currency, which is nothing less than the recovery of their salaries."

The magazine NOTICIAS today published an article signed by Menem saying that "for our country, the election results in Mexico and Brazil were very positive," in the Mexican case because "it calms the fears and apprehensions of investors, who look at the region through the prism of Mexico," and in Brazil's case "because it consolidates Mercosur's [Common Market of the South] enormous possibilities."

Menem said that before the Real Plan the Brazilian economy had presented a picture of "disarray" that "complicated our integration policy because it introduced an enormous distortion into the competition between our producers, who pay salaries with a stable currency, and bear the burden of the blessed Argentine social costs, and their producers, who paid devalued salaries and enjoyed all types of subsidies."

Menem said: "Minister Domingo Cavallo and I reached the conclusion that we had to try to convince them of the economic, and particularly the political advantages of stabilization and growth."

Cavallo traveled several times to our neighboring country "to meet with Fernando Cardoso and his people and discuss with them the experience of our transformation and the advantages for our two countries of a Brazilian recovery."

Menem said "the destructive competitions, national egoisms, and isolation between our two countries have been left behind. The better they do, the better for us, and vice versa."

Menem added: "God permitting, the end of this century will find Cardoso, the other presidents in the region, and me working for the peaceful progress of our peoples and the consolidation of brotherhood."

Bolivia

Ambassadors Reject Decriminalization of Coca

PY1110180594 La Paz PRESENCIA in Spanish 29 Sep 94 p 1

[FBIS Translated Text] Ambassadors from eight countries and representatives from some international organizations that cooperate in the antinarcotics fight yesterday categorically rejected the decriminalization of coca. They warned that they would withdraw their financial aid if the plan goes ahead.

The harsh position was expressed at the conclusion of a meeting at Government House within the framework of the second stage of the coca-cocaine debate promoted by President Gonzalo Sanchez de Lozada. The debate closes with a meeting with national political leaders.

For four hours, the president unsuccessfully tried to persuade the ambassadors to accept the Bolivian proposal.

The delegates were frank, sincere, and sometimes harsh with the president. UN representative Walter Franco, the group's spokesman, said the international community has asked the president to honor international agreements.

The diplomatic representatives agree on the need to restructure the alternative development programs with the participation of peasants residing in coca producing areas.

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Sandro Calvani, director of the UN International Drug Control Programs, announced a commitment by several international credit organizations to implement a "more integral and all-encompassing" new alternative development program. The amounts involved will be established in November during the Paris Group meeting.

Communications Minsiter Ernesto Machicao said the government later analyzed the meeting and considers its outcome positive. He said the government admits that "more good points than bad" were achieved over alternative development.

Machicao said the international community's assessment of the antidrug fight "is quite favorable."

Aranibar Addresses UN on Need To Decriminalize Coca

PY1110174594 La Paz PRESENCIA in Spanish 29 Sep 94 p 1

[FBIS Translated Text] Bolivia has asked the 49th UN General Assembly to decriminalize coca, to erase it from the 1961 Vienna Convention list, and to define laws to control its use.

Foreign Minister Antonio Aranibar Quiroga yesterday addressed the third session of the debate. He requested international cooperation to review the properties and nature of coca according to recently developed scientific criteria.

Aranibar said Bolivia hopes the International Decade of World Indigenous Communities will be an opportunity for the international community to fully understand that coca is a traditional product of the Andean regions, to revaluate its cultural and medicinal uses, and to fully differentiate it from the social problems that result from the abusive use of its byproducts in developed countries—which is generating a growing demand that is associated with international criminal activities.

Briefing the delegates of the coca-cocaine debate proposed by President Sanchez de Lozada, Aranibar said the first conclusions highlight the need to fight drug trafficking via a global strategy, never forgetting that its main objective is to fight the extreme poverty which affects two thirds of the Bolivian population as well as to strengthen the integral development of coca producing zones.

Aranibar voiced gratitude for the international will to distinguish between the positive aspects of native coca and the serious harm caused by the foreign demand for cocaine.

Aranibar also proposed a hemispheric summit on sustainable development in Bolivia in 1996; showing the Bolivian Government's desire to overcome poverty.

Aranibar advocated peaceful solutions to disagreements and criticized the use of force. He said Bolivia supports the Haitian people and their legitimate government.

The foreign minister said Bolivia is convinced that recovering its outlet to the sea is an inalienable right and that it is working within the International Decade of World Indigenous Communities to achieve the framework that will give the Bolivian people a solution to their unfair landlocked situation.

He said: "My country believes in the force of international solidarity, in the force of the law, and in the use of friendly negotiations to overcome controversies."

President Assesses Governability Pact 'Rupture'

PY1110143994 La Paz PRESENCIA in Spanish 24 Sep 94 p 1

[FBIS Translated Text] President Gonzalo Sanchez de Lozada yesterday regretted the rupture with Solidarity Civic Union [UCS] leader Max Fernandez and admitted that the support of that party allowed him to be elected president of the Republic. He said, however, that "Max" is "an obstacle."

Shortly before leaving for Cobija to participate in the Pando anniversary celebrations, the chief of state refused to comment on the decision to end political relations with Fernandez. On several occasions he said "the important thing is to look forward."

He voiced confidence that his government will contribute to form a "solid" new majority in Congress, "in spite of certain reactionary sectors which seek to block government progress without considering that success for the government also means success for the country."

The president was somewhat ambiguous, however, when asked if the rupture with the UCS leadership and grassroots was irreversible. He said: "I can comment no further. It is in the hands of the three party deputy leaders, we must see what happens. I am busy with subjects related to the presidency, in particular subjects related to Pando and Santa Cruz. I am going there now."

He said he has yet to make a decision regarding Minister Raul Tovar, a UCS militant. During a brief meeting with the media he added: "It is all very premature, I am involved in more important issues, we shall see next week."

In the meantime, amid strong internal discrepancies, UCS leaders have begun a nationwide meeting in Santa Cruz to assess the situation prompted by the rupture of the "governability" pact.

Brazil

98.9 Percent of Ballots Tallied; Cardoso Maintains Lead

PY1210024894 Sao Paulo AGENCIA ESTADO in Portuguese 0055 GMT 12 Oct 94

[FBIS Translated Text] The latest vote tally published by AGENCIA ESTADO at 0055 GMT tonight represents

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98.9 percent of the overall votes cast in 280,400 voting locations. Figures are as follows:

Fernando Henrique Cardoso	33,996,019	(54.4 percent)
Luiz Inacio Lula da Silva	16,915,100	(27.1 percent)
Eneas Carneiro	4,551,199	(7.3 percent)
Orestes Quercia	2,750,986	(4.4 percent)
Leonel Brizola	1,892,256	(3.0 percent)
Esperidiao Amin	1,729,061	(2.8 percent)
Carlos Gomes	383,268	(0.6 percent)
Hernani Fortuna	232,414	(0.4 percent)
Null votes	7,346,527	(11.8 percent)

Most Governors To Back Cardoso Administration

PY1210020194 Rio de Janeiro JORNAL DO BRASIL in Portuguese 8 Oct 94 p 8

[FBIS Translated Text] The governors who have been elected in the first general elections held in the country in the last 44 years are, by and large, favorably disposed toward President-elect Fernando Henrique Cardoso. He will be supported by governors of 22 of the 26 states plus the Federal District. Of the nine governors already elected in the first round of elections, only Miguel Arraes—of the Pernambuco office of the Brazilian Socialist Party—will oppose Cardoso's administration.

In the 17 states where there will certainly be a runoff, there will only be opposition to Cardoso if candidates of the Workers Party—Olivio Dutra, of Rio Grande do Sul; Cristovam Buarque, of the Federal District; and Vitor Buaiz, of Espirito Santo—and PDT [Democratic Labor Party] candidate Anthony Garotinho, of Rio de Janeiro, win. In the other 13 states where there will also be a runoff, the president-elect will have allies, no matter who wins.

Among the governors who won in the first round of elections, Tasso Jereissati—of the Ceara office of the Brazilian Social Democracy Party—already is an ally. The three governors of the Brazilian Democratic Movement Party who have already been elected—Divaldo Suruagy, Alagoas; Wilson Martins, Mato Grosso do Sul; and Garibaldi Alves, Rio Grande do Norte—tend to support Cardoso. The two PDT governors—Jaime Lerner, of Parana; and Dante de Oliveira, of Mato Grosso—have been PSDB allies since the electoral campaign began in their states. The Progressive Renewal Party has elected two governors in the first round of the elections—Amazonino Mendes, of Amazonas, and Siqueira Campos, of Tocantins—and both also tend to support Cardoso.

Until 7 October, the participation of 11 parties in the gubernatorial runoff was certain. This number might increase to 12 because Joao Durval's National Mobilization Party has chances of making a runoff necessary in Bahia State, while Paulo Souto, of the Liberal Front Party, is the favorite gubernatorial candidate.

Changes in Congress After Elections Viewed

PY1210000794 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 10 Oct 94

[FBIS Translated Text] The elections have changed the profile of the Congress. The new congressional members will be installed on 1 February. The nine governors who had given up their mandates have ensured their seats in the Senate. They are: Jader Barbalho, of Para State; Edison Lobao, of Maranhao State; Freitas Neto, of Piaui State; Jose Agripino Maia, of Rio Grande do Norte; Ronaldo Cunha Lima, of Paraiba State; Antonio Carlos Magalhaes, of Bahia State; Iris Resende, of Goias State; Roberto Requiao, of Parana State; and Vilson Kleinubing, of Santa Catarina State.

Most of the 54 senators who are finishing their mandate have run for other positions. Only nine of those who ran for reelection as senators, however, have been reelected. The Brazilian Democratic Movement Party, PMDB, has lost several seats, and its bloc decreased from 26 to 21 senators. The Liberal Front Party has increased its bloc from 14 to 18 senators. The Brazilian Social Democracy Party, PSDB, bloc has decreased from 12 to 11. The Progressive Renewal Party bloc has decreased from 10 to six senators. The Brazilian Labor Party, PTB, bloc has increased from four to six. The Popular Party will probably continue to have five senators. The Democratic Labor Party bloc will increase from five to six senators, and the Workers Party bloc will increase from one to five senators. The Brazilian Socialist Party, the People's Socialist Party, and Liberal Party will probably have only one senator each. The National Reconstruction Party and the National Mobilization Party have not elected any senators.

According to the PSDB, the future president's party, the next administration will have at least 200 allies in congress. This is the overall number of blocs elected for the Chamber of Deputies and the Senate by the coalition that elected President Fernando Henrique Cardoso. As the PMDB continues to have the largest congressional bloc—approximately 137 congressmen—it will play a decisive role in approving bills.

Today, the PMDB has indicated for the first time the position it will adopt: It defends the idea of an immediate constitutional reform.

Cardoso Congratulated by EC President Delors

PY1210014294 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 11 Oct 94

[FBIS Translated Text] European Commission President Jacques Delors has sent a message to President-elect Fernando Henrique Cardoso congratulating him on his victory in the first round of the elections.

Jacques Delors wished Cardoso success in the important mission that he has to fulfill. Delors said that Cardoso's

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electoral victory marks a significant, decisive moment for consolidation of democracy.

Cardoso Receives Messages From Portuguese Leaders

PY1110223794 Madrid EFE in Spanish 1055 GMT 11 Oct 94

[FBIS Translated Text] Lisbon, 11 Oct (EFE)—Portuguese Prime Minister Anibal Cavaco Silva today sent a message to Brazilian President-elect Fernando Henrique Cardoso congratulating him on his "clear and meaningful victory."

"The Portuguese Government and people have followed the election campaign as if the elections were being held in Portugal. This is why Brazil and Portugal share the same feelings with regard to Your Excellency's triumph," states the message sent by the Portuguese prime minister.

Cavaco Silva is convinced that the social democratic line that will be followed by the new Brazilian president will contribute to strengthening the ties between the two countries and help create a community of Portuguese-speaking countries.

Portuguese President Mario Soares sent a message on 7 October to Brazilian President Itamar Franco, congratulating him for the manner in which the electoral process was carried out. He also sent a message to Fernando Henrique Cardoso to congratulate him on his triumph.

Electoral Prosecutor Drops Charge Against Ministers

PY0810022894 Sao Paulo AGENCIA ESTADO in Portuguese 2007 GMT 7 Oct 94

[FBIS Translated Text] Brasilia, 7 Oct (AE)—The Office of the Electoral Prosecutor General has concluded that virtual President-elect Fernando Henrique Cardoso did not use the government apparatus in his campaign. According to the assistant electoral prosecutor general, Antonnio Fernando Barros de Souza, electoral prosecutors have concluded through their investigations that neither Regional Integration Minister Aluizio Alves nor former Mines and Energy Minister Alexis Stepanenko—who were cited in the charge filed by the Workers Party, PT—committed any action to benefit Cardoso.

Delcidio Gomes Confirmed as Mines, Energy Minister

PY0610140094 Rio de Janeiro JORNAL DO BRASIL in Portuguese 5 Oct 94 p 5

[FBIS Translated Text] Juiz de Fora—Former Finance Minister Rubens Ricupero was yesterday appointed by President Itamar Franco as the new Brazilian Ambassador to Italy. The official notification will be sent to the Senate this week.

President Franco explained that this gesture seeks to rescue the career of one of the most brilliant Brazilian diplomats.

It was announced yesterday that President Franco has decided to confirm acting Mines and Energy Minister Delcidio Gomes as minister. He is one of the newest members of the so-called "Juiz de Fora group," and his confirmation means former Minister Alexis Stepanenko will not return to his post.

Ricupero clearly stated his wish to serve in the Brazilian Embassy in Rome during an interview with journalist Carlos Monforte on Rede Globo television, which cost him his post as minister.

"I think that will be best, I will be able to rest," he said on that occasion.

Delcidio Gomes will be sworn-in next week. He was appointed to replace Stepanenko, who must testify in an investigation about the alleged use of the government apparatus to benefit the candidacy Fernando Henrique Cardoso.

Colombia

Delegate to Drug Meeting Urges Joint Stand at Miami Summit

PA1110202094 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 11 Oct 94

[From "Caracol's 0600 to 0900" newscast]

[FBIS Translated Text] Cartagena—Colombia has asked the rest of the countries in this hemisphere to take a joint position to the Summit of the Americas regarding international responsibility in the antidrug trafficking struggle.

Former Justice Minister Fernando Cepeda Ulloa, who is participating on Colombia's behalf in a meeting of experts in Cartagena as a prelude to the meeting convoked by U.S. President Clinton, has said our government hopes the international community will make sacrifices similar to those Colombia is making to fight the drug trafficking scourge:

[Begin Cepeda Ulloa recording] I believe we hope international responsibilities will be assumed regarding this problem. I would say that Colombia has assumed its responsibility and, sometimes, even more than its share of it. [end recording]

The Latin American Meeting on Democratic Governments will end today with the signing of a document that will contain suggestions for the Miami Summit on aspects such as drug trafficking and international policy.

Vice President Discusses Constitution

PA1110211094 Panama City LA PRENSA in Spanish 10 Oct 94 p 4A

[Report on interview with Vice President Humberto de la Calle by Nubia Aparicio S.; place and date not given]

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[FBIS Translated Text] The 1991 Colombian Constitution lights the way in the Panamanian people's search for a formula for a constituent assembly similar to Colombia's; a constituent assembly that can stamp out all remaining traces of the privileges imposed by the military in 1972 and which they continue to enjoy in "democracy."

"Through the constituent assembly, we succeeded in amending the Congress statute and introducing very severe measures against corruption," Colombian Vice President Humberto De la Calle told LA PRENSA in an interview. De la Calle paid a two-day visit to Panama at the invitation of the Chamber of Commerce to speak on the constitutional changes in his country; their triumphs, disappointments, and agonies.

De la Calle, who pointed out that his remarks should not be construed as meddling in Panama's internal affairs, said the Constitution establishes strict regulations for congressmen in terms of inabilities and incompatibilities, as well as an ethics commission that has caused many legislators to lose their status. "In the past, powerless people looked on in amazement at corruption. Nothing could be done. Now the authorities have expedient instruments to remove legislators from office if they violate the code of ethics or the law," he said.

Following several foiled attempts, the Colombian people called a constituent assembly and succeeded in approving a new Constitution in 1991 to replaced the 1886 Constitution, which granted excessive privileges to those in office to the detriment of the population, which has reached 34 million.

[LA PRENSA] Without attempting to establish a parallel, Mr. Vice President, Colombia's 1886 Constitution, despite its many amendments, was replaced by another, which was approved by a constituent assembly. How was the conclusion reached that it was necessary to do it that way rather than proposing a new reform?

[De la Calle] A movement emerged to amend the 1886 Constitution, which had been created by President Rafael Nunez. This movement emerged from independent groups in Colombian society, such as students, professionals, and university professors, and evolved through what we could describe as metaconstitutional procedures. The Colombian constitution provided for its own amendment only through regular mechanisms in Congress. "This was a popular movement, expressed in what we in Colombia call the seventh ballot, which was spontaneously cast in the elections during which Cesar Gaviria was elected president. A vote was held in which a popularly elected constituent assembly was decided upon. The assembly's 70 members drafted a new constitution, the 1991 Constitution." [quotation marks as published]

De la Calle, who declares himself enthusiastically committed to the 1991 constitutional process, says this process has been successful.

Asked about the most successful innovations in the new Constitution, De la Calle replied: "Through the Constitution, we modified the Congress statute and established very strict measures against corruption and a bill of rights through innovative mechanisms to protect fundamental rights."

"The mechanisms of democratic participation were a very important step. They are not limited to professional associations but call for human beings to make decisions by themselves," he added.

According to De la Calle, another important innovation in the new Constitution is the strong emphasis on mechanisms to distribute authority and create a more autonomous environment in Colombia, a country with varied cultures which interact in a national environment.

According to De la Calle, one important achievement was the strict regulation for congressmen, which establishes that they may lose their status at any time.

In his opinion, the 1991 constitutional effort has been a very important instrument in improving democracy in Colombia. "I think the constituent assembly's work has been excellent," he says. He admits, however, that the Constitution may have errors in wording. "Some people have found certain inconsistencies which are the result of the pluralistic and tolerant way in which the Constitution was drafted."

According to De la Calle, the 70 Constituent Assembly members not only represented the traditional Liberal and Conservative parties but the M-19 [19 April Movement], which had been reincorporated into Colombia's institutional life, as well as three other guerrilla movements. Negroes, Indians, various religions, and the unions also participated.

Summing up, he added: "We took one step ahead of the traditional representative democracy, which is expressed through the Congress, to introduce mechanisms through a referendum, a popular consultation."

[LA PRENSA] What do you think is the best way to reform the constitution? A constituent assembly?

[De La Calle] In Colombia's case, it was a constituent assembly. I don't want to give advice or to be misinterpreted, but Colombia's 1886 Constitution had a very rigid reform system. It had to be carried out exclusively by Congress, by two regular legislatures, and through a qualified vote. That is why several attempts at constitutional reform failed. [end De la Calle]

De La Calle, who was described in 1991 as a father of the constitution, said that deep down what it involved "was a struggle between the new country and those who had privileges in the past."

He explained that the constituent assembly was convoked through extraordinary mechanisms not contemplated in the existing constitution. In that sense, he said,

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there was something of a legal revolution, because Cesar Gaviria's administrations made use of a state of siege decree to convoke it. The Supreme Court found it to be constitutional because it responded to the supreme interests of the nation, which are to search for peace and coexistence in such a way that the extraconstitutional measure was one way of breaking the links which we Colombians had attempted to break unsuccessfully on three other occasions.

[LA PRENSA] For you, what is a constitution?

[De la Calle] Some believe the constitution is only a formula for the operation of the state. The 1991 Constitution is more than that. Not only does it have rules for the operation of public branches, but it also contains great contemporary ideas of a society that wants change and peace and which seeks to open its mind to the world. In that sense, the constitution also holds a dream, the dream we want for ourselves and our children.

A constitution is much more than an operating manual for the state. It must be a summation of group ideology.

Asked if the 1886 Constitution is covered within that definition, De La Calle responded that the 1886 Constitution "was written from the viewpoint of President Nunez and rendered a great service to Colombia at that time, as a consequence of radicalism, a movement which we might call Extremist Libertarian, which was in power since 1863."

He explained that the different groups into which Colombia has been divided in the past acted as loose wheels, and national unity began to be lost amid chaos and civil wars. "That old 1886 constitution, based on centralism and authority, allowed us to preserve the unity of the fatherland and to give consistency to the national project. We were certain, however, that the 1886 constitution had served its purpose and was too centralist and authoritarian, that it installed a sort of constitutional monarchy because it gave all the power to the president, thus creating a big national frustration.

[LA PRENSA] What would you recommend to the Panamanian people and to the Assembly regarding constituent assemblies?

[De la Calle] Previous attempts to effect a modern institutionalization of the country have failed in Colombia. In the time of President Jaime Lopez Michelsen, an attempt was made to set in motion what was called at that time a small constituent, but the Supreme Court did away with that, perhaps because the political project was too ambitious and touched upon certain interests, including the interests of the Supreme Court, which was in charge of constitutional control.

President Julio Cesar Turbay later obtained Congress' approval for a constitutional reform in 1979. Again it was turned down by the Supreme Court on the pretext that it had format flaws, as if it involved a mere case of eviction or a civil process.

He explained that President Belisario Betancur again attempted to carry out the constitutional reform and failed because vested interests were at stake. "That is why we resorted to a path, which I have termed meta-constitutional, and the special touch to achieve that objective was through the people's vote."

According to the vice president, the great potential of that constituent is the staunch presence of all the forces that make up Colombian nationality "which, I believe, is what must be looked after," he said.

"Our constitution is definitely active and is the product of concessions and commitment, which in the long run is the art of politics," he stated.

Ecuador

Minister Rejects European Court Ruling on Bananas

PA0910194594 Quito Voz de Los Andes in Spanish 1200 GMT 7 Oct 94

[From the "Voz Andes" newscast]

[FBIS Translated Text] Industry Minister Jorge Torres disagrees with the European Court's decision endorsing the imposition of quotas and tariffs to banana exports originating from Latin American countries.

The minister believes that the European decision is an attack against free trade and will prove detrimental to Ecuador. Nevertheless, he insists that he will attempt to assemble Latin American exporters to come up with a joint position.

The restrictions are scheduled to come into effect on 1 January 1995.

President Decreases Appearances Due to Back Pain

PA1110201794 Quito Voz de los Andes in Spanish 1200 GMT 11 Oct 94

[From "The Voz Andes Newscast"]

[FBIS Translated Text] President Sixto Duran-Ballen is suffering from back pains and has decreased the number of appearances at various ceremonies. The Presidency Press Secretariat has reported that the president has been having back pains and that he will probably have to undergo a checkup with the North American doctors who operated on him a year ago.

Paraguay

President: General's Death Linked to 'Local' Drug Ring

PY1110181294 Asuncion RPC Television Network in Spanish 1600 GMT 11 Oct 94

[FBIS Translated Text] President Juan Carlos Wasmosy has confirmed that the attack that killed General Ramon

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Rosa Rodriguez is linked to drug trafficking. He ruled out, however, any possible links with international drug cartels. This is Maria Luisa Ferreira's report:

[Begin Ferreira recording] Wasmosy spoke about the attack on Gen. Rodriguez during an informal conversation at the San Jose School. His comments were off the record. The president said the crime was linked with drug trafficking. We are moving the wasp's nest, the president said. Wasmosy also ruled out any possible link with international drug cartels. It is a powerful local network, the president said, adding that Gen. Rodriguez had told him that his life was also at risk, and advised him to be careful.

Regarding the details of the assassination, Wasmosy confirmed that Captain Juan Ruiz Diaz had been placed under arrest and was being taken to the presidential escort regiment when he took his pistol and shot the general. Wasmosy said Ruiz Diaz had commanded the Military Police operation in the Parque Cue case. The president said that the late Gen. Rodriguez had warned him about a series of attacks, and that one of the victims could be the president himself. There is a lot of money involved, the president said.

Later the president said that he had stopped the extradition of a Brazilian citizen because he was a key player in the investigation due to the information he possessed. Reliable Government House sources reported that the DEA, too, was involved in the incident. [end recording]

DEA, 'Gigantic' Drug Operation Linked to Death

PY1110170294 Asuncion NOTICIAS in Spanish 11 Oct 94 p 20

[FBIS Translated Text] The National Antinarcotics Directorate (Dinar), which is subordinated to Senad [National Antinarcotics Secretariat], DEA antinarcotic officials, and the Paraguayan "Special Forces" (military) have been keeping a Brazilian citizen prisoner, practically kidnapped, in a small cell. The Brazilian national was arrested on 6 October. The individual talked with four legislators after an acrid exchange between Deputy Jose de Vargas and a DEA agent. The Brazilian citizen, whose identity has been kept secret, gave details of a gigantic drug trafficking operation involving influential local personalities and a triangle of connections with Colombia and the United States. This man was arrested on orders of General Ramon Rosa Rodriguez, who has been the only official to interrogate him so far. There is fear that the information given by the Brazilian citizen to the general was the real reason for the general's death.

Yesterday afternoon Deputies Francisco Jose de Vargas, Blas Antonio Llano, Ramon Julian Doncell, and Walter Hugo Bower Montalto paid a surprise visit to the offices of Dinar to speak with Superintendent Publio Fretes, the agency director, about the DEA and the Special Forces' arrest of a Brazilian citizen.

Deputy De Vargas had information that the Brazilian citizen had been arrested without a court order. The individual was practically kidnapped. The DEA gave the excuse that he had been arrested in order to preserve his life.

The legislators demanded to speak with the Brazilian citizen upon arriving at Dinar, but were harshly rebuked by Special Forces officers, who refused to let them see the Brazilian.

A harsh and caustic discussion followed. De Vargas accused the DEA agents of being involved in drug trafficking. The legislators were finally allowed to talk with the Brazilian, who revealed incredible things about connections in Paraguay for contraband cocaine shipments to Brazil, Bolivia, Colombia, and the United States.

The Brazilian citizen started the conversation by speaking of a recent cargo of no less than 730 kg of cocaine that was shipped to New York through the Paraguayan connection.

The Brazilian citizen spoke with the legislators in front of a NOTICIAS reporter, and Colonel Lugo (who is in charge of the Special Forces), two Special Forces officers, and a DEA agent ("Mr. Robert," a blond, thin, and tall individual).

The Brazilian citizen, who has a North American accent and whose name was kept secret, said he had been contracted in Brazil by "a man called Viveros Cartes" to build three clandestine airstrips in the Chaco region for the shipment of drugs to Colombia and the United States.

"I will help you, but I need to talk with the local authorities, and I want protection for my life," the Brazilian citizen told legislators.

"Who you put you under contract?" De Vargas asked. "Who is backing you?" Bower added.

"Viveros Cartes," the Brazilian citizen answered. "I was contracted to build three airstrips in the Chaco region. I know the coordinates," the Brazilian citizen said, refusing to give the name of the man who owns the ranch where two of the airstrips are located. Apparently one of the two airstrips has not been finished yet.

The individual has not been questioned by Paraguayan courts. He has told everything he knows to the DEA and the Special Forces, a fact that was harshly criticized by the legislators.

"You know, Col. Lugo, that I do not trust these people from the DEA. They have lost my trust, and I protest to your face because you have not permitted this poor man to testify before Paraguayan authorities. What right does this man (the agent called 'Robert') have to be here? This man should not have been here," De Vargas told Colonel Lugo.

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The Brazilian citizen also said that General Ramon Rosa Rodriguez' death is a mere addendum to what is really happening, adding that huge drug cargoes are shipped to the United States every month.

"What happened today (referring to Gen. Rodriguez death) is something very small. What I can tell you is very, very important, but I need a lot of protection," the Brazilian citizen said.

The DEA agent who talked with De Vargas told the group of legislators that the Brazilian has been kept in a cell for security reasons, because he is not a drug trafficker. He is a professional contracted to build airstrips for drug traffickers.

Deputy De Vargas asked Col. Lugo why he did not communicate the arrest of the Brazilian citizen to our national authorities and expressed his annoyance because DEA agents, whom the Paraguayan people no longer trust, are involved in the arrest and questioning of the Brazilian citizen.

According to agent "Robert," there is another group of high-ranking and influential Paraguayan authorities, besides Viveros Cartes, who are trafficking with thousands and thousands of kilograms of cocaine using clandestine airstrips and the unprotected skies of Paraguay, which has no radar.

Neither DEA agent "Robert" nor Col. Lugo have promised to place the Brazilian citizen at the disposal of the Paraguayan courts. The group of legislators promised guarantees to the Brazilian citizen. De Vargas said that he would discuss the issue, which is extremely delicate, with congressional authorities.

Congress, Parties Express Repudiation of Attack

PY1110231394 Asuncion ULTIMA HORA in Spanish 11 Oct 94 p 4

[FBIS Translated Excerpt] Members of the executive branch and of Congress and representatives from the political parties that met with President Juan Carlos Wasmosy last night unanimously expressed their repudiation of the attack against General Ramon Rosa Rodriguez, and they promised their political support in the fight against drug trafficking.

At the conclusion of the meeting, Defense Minister Hugo Estigarribia, the spokesman of the meeting, said that "every effort will be made in the investigation in order to get to the very bottom of the matter, to define responsibility, and in order to punish those who are guilty of this terrible incident."

Interior Minister Carlos Podesta told the media that Wasmosy has ordered that the opposition leaders, Colorado party leaders, and the leaders of the congressional blocs be kept duly informed about the course of the investigation.

The two cabinet members also reported that Wasmosy had requested the political support of the opposition parties and the Colorado Party for a frontal fight against drug trafficking, and that the president had received a positive answer. Podesta stated that the president had not only asked for support from the political leaders, but also from all the sectors of society. Opposition party leaders Guillermo Caballero Vargas (National Encounter), Domingo Laino (Authentic Liberal Radical Party), Miguel Angel Montaner (Christian Democratic Party), Victor Sanchez Villagra (Febrerista Revolutionary Party), and Eugenio Sanabria Cantero of the official party (Colorado Party) participated in the meeting, in addition to the ministers.

The head of state did not talk with the media at noon yesterday, nor after last night's meeting with ministers and politicians. After learning of Rodriquez' death, he limited himself to saying that "everything will be cleared up"; on the occasion, it was noted that he was deeply concerned about yesterday's events. [passage omitted]

Former Senad Chief Discusses Undercover Operation

PY1110203594 Asuncion ULTIMA HORA in Spanish 11 Oct 94 p 2

[FBIS Translated Text] General Marcial Samaniego, retired, former National Antinarcotics Secretariat [Senad] executive secretary, was at the head of the agency when, on 13 September 1990, a plane landed at Parque Cue, in the Chaco region, carrying the largest cocaine shipment ever seized in the country: 343 kg. Samaniego said he was afraid for the lives of agents and contacts who participated in that case, which he defined as an undercover operation.

The former Senad chief tried by all means to avoid answering questions on the much-discussed Parque Cue case, which was revived by declarations made by pilot Carlos Amado Recalde, who implicated Gen. Samaniego and former President General Andres Rodriguez in his report. Gen. Samaniego refused to talk, saying that he wanted to talk with the judge hearing the case first.

"Of course we were all aware (of Recalde's flights). The problem, however, is to say 'who' was involved. It is impossible to name the people who intervened because the job was confidential. We cannot risk the lives of other people. We cannot say anything that will risk the lives of our contacts. Those things cannot be said or reported. That is my work; otherwise, the case might be lost," Samaniego said.

The DEA Knew About It

Samaniego said that the DEA was also aware of the undercover operations, and that the discovery of the plane, in September 1990, was part of a case, despite the fact that at one time it was reported that the huge cocaine cargo was discovered by chance by a special commando group patrolling the zone.

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"I do not want to talk about the details. First I want to consult with the judge. Everything will possibly become clear afterward," Samaniego reiterated.

The former Senad chief denied that thousands of dollars in cash were found together with the drugs. Samaniego also said the report stating that there are documents on the case is false because the operation's characteristics required that no documents be kept about it.

As this issue went to press, the meeting between Gen. Samaniego and Judge Arnulfo Arias had still not taken place. Samaniego said during the morning that he still had not received the judge's notification to appear in court, but added that he was ready to testify.

Wasmosy 'Not Very Concerned' Over Possible Guerrillas

PY1210014494 Asuncion ABC COLOR in Spanish 7 Oct 94 p 74

[FBIS Translated Text] Following the National Police Museum's opening ceremony last night, the president of the Republic, Juan Carlos Wasmosy, stressed that he is not very concerned over the possible formation of guerrilla groups in northern Paraguay "because, if these groups are formed, we will be able to defend ourselves as well."

Asked about comments on the alleged existence of incipient subversive groups in San Pedro Department, the chief executive noted that the citizens may rest assured that public security in our country will be preserved.

Interior Minister Carlos Podesta noted yesterday that, according to information—unconfirmed, however—available to him, there could be incipient subversive—possibly guerrilla—groups in San Pedro Department. He also indicated that government authorities are worried about this issue because, if it is confirmed, it might cause violent actions with unpredictable consequences.

Superintendent Pedro Villar, the National Police public relations department chief, reported that, notably enough, incidents involving theft of weapons by criminals wearing military uniforms have recently increased in San Pedro Department.

Villar emphasized that these robberies are under investigation by police officers because, notably enough, weapons alone are being seized and robbed.

Villar added that, strangely enough, dwellers in specific rural settlements in San Pedro Department have recently reacted violently against legal and police proceedings. Therefore, the possibility of the existence of a plan aimed at causing unrest among the population has not been ruled out.

Villar mentioned that the presence of police in some settlements in San Pedro Department has even not been allowed. He said this is a source of concern for our national authorities.

Wasmosy Minimizes Incident Between Generals

PY0710200694 Asuncion ABC COLOR in Spanish 29 Sep 94 p 6

[FBIS Translated Text] Questioned about an incident between Army Commander Division General Lino Oviedo and Division General Evelio Benitez Santacruz, the former 3d Army Corps commander, President Juan Carlos Wasmosy said: "I believe even among you journalists and among we other humans, the defects of others are often not tolerated enough." The 3d Army Corps is headquartered in Mariscal Estigarribia. The president explained: "If civilians are involved, the use of foul language is sometimes permissible but when the Armed Forces are involved, obedience applies." He added: "Having obeyed his orders, a military man may ask for reparation." The president noted that there is a chain of command for this." [no opening quotation mark as published] He did not further elaborate on this point. The president limited himself to eulogizing Gen. Benitez, saying: "He is a great officer. We are greatly indebted for his work in the Chaco. I have no objections. Sometimes an excess of work gets on one's nerves."

Benitez stressed that the incident with Oviedo occurred after Oviedo called him a "buffoon" for not maintaining in perfect condition a hotel at the 3d Army Corps in Mariscal Estigarribia. Benitez said Oviedo "gets angry" over petty issues and confirmed that Oviedo insulted him (Benitez) and his subordinates. Benitez noted that, following his mistreatment, he cried "with anger, not out of weakness." During an interview with Radio Nanduti, Benitez said: "I do not want to profit from this incident." He described as an abuse of authority the changes recently ordered within the Armed Forces leadership. He said: "This clearly shows what can happen, what is in store for us."

Benitez confirmed that Oviedo mistreated him whenever he went to the Army headquarters and that he tolerated the situation as long as he could.

After being called a "buffoon" by Lino Oviedo, Gen. Benitez convened his staff to announce that he would place his post at the disposal of the commander in chief. He emphasized that he made this decision because he is unable to tolerate insults or humiliation from anyone. Benitez then noted that if Oviedo were to mistreat him again, "it would be the end."

Benitez stressed that, until yesterday, he had not received any response from President Wasmosy. He said he wrote to the president, informing him of Oviedo's disrespect. Asked why he did not respond to the Army commander when the latter called him a "buffoon," Benitez argued that it was better to remain silent because, had he answered, he would have left himself open to being sanctioned and described as a rebel. Benitez currently does not occupy any post, and it is virtually a fait accompli that he will be sent into retirement by the end of the year.

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Former Chief of Staff Interviewed on Replacement

PY0710204394 Asuncion NOTICIAS in Spanish 4 Oct 94 pp 14, 15

[Interview with General Pedro Concepcion Ocampos, recently replaced Armed Forces chief of general staff, by unidentified reporter on 3 October; place not given; first paragraph is introduction]

[FBIS Translated Text] The ceremony held on 3 October, at which the chief of staff of the Armed Forces was unexpectedly replaced, took on another slant when General Pedro Concepcion Ocampos, the outgoing chief of staff, gave vent to his irritation. Apparently Gen. Ocampos had a run-in with Army Commander General Lino Oviedo in the presence of Admiral Eduardo Gonzalez Petit, the Military Forces commander. Ocampos then lashed out at journalist Flaviano Martinez, who works for the Army: "Your inconsequential little boss (meaning Oviedo) is to blame for this. He is the one who cooked it all up." He also told Martinez: "Your inconsequential little boss does not even know what an officer of the day is." Ocampos then left the ceremony without saying goodbye to anyone. Later, in the course of an interview with NOTICIAS, he admitted his replacement had taken him totally by surprise.

[NOTICIAS] Gen. Ocampos, how do you feel about having been relieved as chief of staff of the Armed Forces?

[Ocampos] I was relieved as a consequence of an earlier order which took me off the active service list. This is a change and, like all changes, it is healthy. From my perspective changes are bound to be for the better. Changes should lead to improvements. This particular change called for my relief. The reasons, the motives behind this relief, are probably known only to my superiors. None of us are perfect. I must have said the wrong thing many times. Maybe I lacked coordination in expressing my conclusions. I admit all this, but there was never any malice in my words. I am saying this because presumably I said things which may have been at odds with the way other people felt. I assume the full responsibility for what I have said. I must say that my conscience is clear because loyalty for my superiors has always been a matter of life or death for me, and it is just my bad luck that my statements were misinterpreted.

[NOTICIAS] Did your relief come as a surprise, general?

[Ocampos] Yes. Minutes, even seconds before it happened I had no idea I was going to be relieved. I had a very vague idea of the events that were taking place in the 3d Corps because the Army Commander had submitted no formal report to the Joint Staff, even though there is no need to inform the Joint Staff because the latter is only an advisory and coordinating body. The Military Forces commander should, however, have been informed, but no one did. Therefore, it was up to the Army commander to resolve the issue. On Friday evening [23 September], when we were invited to a meeting on Saturday [24 September], I understood that the objective was to evaluate those events.

[NOTICIAS] So, you knew what happened in Mariscal Estigarribia? (The spat between Generals Evelio Benitez and Lino Oviedo).

[Ocampos] Just a bit of gossip. For that reason I was taken totally by surprise when the president asked for our resignations a few minutes before the ceremony started. I was surprised by the way the request was made, not by handing over my post. I could have stepped down at any time because we are all here to obey orders, not to deliberate.

[NOTICIAS] What was it then, the way the request was made, the timing, the day it happened...?

[Ocampos] I do not know. It was the suddenness of it all. Just like that—without a prior warning, a prior alert, some kind of advance notice. We were given to understand that we were to prepare ourselves for the event and nothing else. In other countries it customary for the new commanders to tour their new posts with those who are about to be relieved a couple of weeks before taking over in order to get acquainted with their new job. This should be done without any haste. I did not see the need for the haste, everything was so surprising. There has never been any signs of conspiracy, never. There were no reasonable motives to justify the swiftness of the change. It would have rattled anyone. I was completely rattled. The whole thing is an anecdote. It led to a lot of discussion later, mainly because the media twists things and misrepresents them.

[NOTICIAS] General, what is your opinion of the increasing influence of Gen. Lino Cesar Oviedo within the Armed Forces, bearing in mind that less than two years ago he ranked 10th in seniority among the generals?

[Ocampos] He is undoubtedly a very energetic man, a worker, and once he sets a goal for himself he achieves it at any cost. One can rest assured that he will achieve the objective whether he sets it for himself or someone else sets it for him. There is no doubt about that; you cannot deny it. Perhaps he is picking up speed; it is a real coincidence or fate that outgoing officers are paving the way for him up the seniority ladder. I assume there is a reason for all this but I cannot accept this premeditated modus operandi that involves loping off heads to reach a place of honor. This is absolutely unacceptable: It goes against the military code of honor, and I believe victory is not so honorable if it brings misfortune to comrades in arms.

[NOTICIAS] You accused Gen. Oviedo of cooking up the changes within the Armed Forces. What do you have to say?

[Ocampos] One can see the hand of Gen. Oviedo manipulating events from afar. He has implicated some high-ranking officers. Because of all this I want to reiterate

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that it is a pity he has chosen to act this way. I do not believe we are attached to our jobs to the point of being willing to harm anyone. Maybe I was irritated when I made that remark. I hope it is not true because it would severely undermine Gen. Oviedo's efforts and dedication which we all hope will retain openness, honesty, and clarity, but...

[NOTICIAS] But you can perceive that he is behind it.

[Ocampos] Yes, you can perceive that, way in the back, he is behind it all...

[NOTICIAS] What is your opinion about those who believe Wasmosy is strongly influenced by Oviedo?

[Ocampos] Oviedo may be President Wasmosy's main adviser in the military field. President Wasmosy needs somebody on whom he can rely at all times, somebody who can interpret his policies, and he believes Oviedo fits the picture. This is not meant to disparage Oviedo's superiors. For any number of reasons one can have preference or greater trust in a certain officer. That does not mean the others are bad. Sometimes this situation causes concern. I suppose the changes President Wasmosy has made in the Armed Forces will improve the institution's situation.

[NOTICIAS] Tell us about the future of the Armed Forces.

[Ocampos] I think the commander of Military Forces will return the Armed Forces to their normal course. Objectives and goals will be reconciled. The Armed Forces is a great institution whose members are anxious to finish their career in the best possible way. The examples set for them are very important so as not to sow seeds of dissatisfaction which could jeopardize the institution where everything is handled by the book through a chain of command, and where austerity and stoicism—which are somewhat ignored nowadays—must prevail. One must exercise these virtues, not just pay lip service to them. Those who are committed to the common good and to preserving the community and the country should not stray from their pursuit of national, urgent objectives. These objectives should be clear and unselfish so that young officers can regain their faith and trust in their superiors and the country's future.

[NOTICIAS] Have subordinates have lost faith in their superiors?

[Ocampos] Perhaps not, but they must be uneasily witnessing all these discussions, which obviously feed distrust. Many speak of antagonism between the Infantry and the Cavalry, but I think there is no such antagonism. All this talk, however, undermines the confidence of young officers. There are no grounds for friction because there are two Infantry corps in the Army, and more infantry generals. No important position has been off limits for Infantry officers.

[NOTICIAS] Last week an officer accused Oviedo of mistreating him in the presence of troops and reporters. Oviedo was also seen mistreating a young officer. Have you ever seen Oviedo behave like that?

[Ocampos] It surprises me because I have never seen him talking that way before. Perhaps circumstances upset him because he is not usually like that. I repeat, foul-ups probably irritate him a bit. For instance, slowness in fulfilling an order in the middle of a ceremony can drive anyone up the wall.

[NOTICIAS] Do you think you are ending your military career as you should?

[Ocampos] Well, I have been an officer for 34 years. I spent five years as a cadet, and a very long life as a subordinated officer, full of sacrifices. There have been good times, and I wish an officer did not have to end like this. I like to see officers retire in a more dignified way. We enter Military School with joy, enthusiasm, and idealism. It does not seem right to end one's military career disillusioned; it goes against one's ideals. I cannot think of any other career that has such a sad ending. The military career unfortunately does. I think the end of the military career should be happier.

[NOTICIAS] Do you think the Armed Forces have been dignified?

[Ocampos] That cannot be achieved overnight. It takes time and conscience, and a level of common sense and harmony must prevail. We are still working to dignify the Armed Forces.

'Ill-Treated' 3d Corps Commander Resigns

PY0710174594 Asuncion ABC COLOR in Spanish 25 Sep 94 p 4

[FBIS Translated Text] Despite an official report which says the recent removals and replacements within the Armed Forces were implemented to permit new commanders to fully participate in the upcoming promotions board meetings, a note was sent by General Evelio Favio Benitez Santacruz on 23 September to the office of the commander in chief denouncing his poor treatment while he was commander of the 3d Corps. Even though the note does not mention any names, everyone knows Army Commander General Lino Oviedo is his direct superior.

We have learned that Gen. Oviedo became "angry" with Gen. Benitez because of the state of disrepair of the roof of the "Transit Hotel" at the Mariscal Estigarribia military unit, which was inaugurated during General Andres Rodriguez' administration. Our sources said Oviedo ill-treated Benitez who, at that time was the 3d Corps commander, in front of the troops. This started the dispute between the two military chiefs.

The replacement of Benitez and other high-ranking military chiefs allegedly occurred because they do not

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agree with Gen. Oviedo, do not share his plans for reorganizing the Armed Forces, or do not share his views on political issues.

Benitez' note says: "I was ill-treated in front of a formation of higher military officers, non-commissioned officers, conscripts, arsenal personnel, and the unit's military and civilian bricklayers and painters."

"The respect for the figure of a general has been trampled on to such a point that the commander of the 3d Corps can be humiliated and treated like the corporal of the week or a construction foreman."

In his note to President Juan Carlos Wasmosy, Gen. Benitez accused Oviedo—although carefully avoiding mentioning him by name—with violating several articles of Law 847 of the Military Personnel Regulations.

Gen. Benitez Santacruz did not attend the ceremony yesterday to transfer the 3d Corps command. Under a resolution of the commander in chief, Benitez had to hand over the command to Brigade General Juan Simon Paredes Bareiro, but he refused to participate because Gen. Lino Oviedo was scheduled to be present.

Tomorrow other commands will be transferred. Two ceremonies will be presided over by Gen. Lino Oviedo and two by Vice Admiral Eduardo Gonzalez Petit.

[Benitez letter of resignation]

Armed Forces Command in Chief
Army Command
3d Corps
Command
Mariscal Estigarribia, Paraguayan Chaco, 23 September 1994.

Note:
Regarding: To place the command of the 3d Corps at the disposal of the commander in chief.
To: Commander in Chief Engineer Juan Carlos Wasmosy
General Headquarters

I have the honor of addressing this note to his excellency the commander in chief. I place my position as commander of the 3d Corps at his disposal for the following reasons:

For the humiliation and undignified offense I suffered in public as a general and as the commander of the 3d Corps.

I was ill-treated in front of a formation of higher military officers, non-commissioned officers, conscripts, arsenal personnel, and the unit's military and civilian brick layers and painters.

The respect for the figure of a general has been trampled on to such a point that the commander of the 3d Corps can be humiliated and treated like the corporal of the week or a construction foreman.

Law 847, entitled: "Military Personnel Regulations," determines the conduct of commanders and subordinates as follows:

Article 56. Subordination must not affect, in any way, the personal dignity of military personnel. A soldier's subordination depends exclusively on the Armed Forces hierarchical structure.

Article 72, Item 1. "The obligation to treat subordinates with propriety, interest, rectitude, and consideration."

Article 74, Item d. "To be fair and objective in qualifying and appreciating the merits of subordinates."

Article 74, Item l. "To respect the dignity of a human being."

Article 79. The violation of military duties, even slightly, constitutes a disciplinary violation. Such violation of this duty in its most serious form is a military crime as established in the Military Penal Code and the law. The violation of military ethical principles becomes increasingly grave the higher the rank of the violating military officer.

For all these reasons and with all due respect I place my position at the disposal of the commander in chief.

[signed] Evelio F. Benitez Santacruz
Division General
3d Army Corps commander.

Peru

22 Candidates Register for Presidential Elections

PY1210023994 Madrid EFE in Spanish 1923 GMT 11 Oct 94

[FBIS Translated Text] Lima, 11 Oct (EFE)—A total of 22 candidates have registered to participate in the upcoming 9 April 1995 presidential elections with the expiration today, 11 October, of the deadline for registration as required by the electoral law.

The last to register, amidst great expectations, were former UN Secretary General Javier Perez de Cuellar, President Alberto Fujimori's wife Susana Higuchi, and Lima Mayor Ricardo Belmont.

President Fujimori, who is the favorite in the electoral polls, registered on Monday [10 October].

The other presidential hopefuls are former Deputy Raul Diez Canseco Terry, of the Popular Action Party, led by former President Fernando Belaunde Terry (1963-68 and 1980-85); congresswoman Lourdes Flores Nano of the Popular Christian Party (PPC); former Senator Mercedes Cabanillas of the APRA [American Popular Revolutionary Alliance]; and Luis Caceres, of the Peruvian Movement to the Year 2000 [Movimiento Peru al 2000].

The other candidates are Alfonso Barrantes of United Left (IU); Sixtilio Dalmau of the New Peru Movement

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[Movimiento Nuevo Peru]; Edmundo Inga of the Peru's Alternative Movement [Movimiento Alternativa Peru]; Ezequiel Ataucusi of the Popular Agricultural Front of Peru (Frepap); and Teofilo Aliaga of Union, Democracy, and Development [Union, Democracia y Desarrollo].

Also, Alejandro Aspilicueta of the Technocracy Movement, Carlos Cruz of the Independent Front for National Reconciliation, Victor Echegaray of the Reformist Party of Peru, Miguel Campos of the National Advancement Party (PAN), and Alejandro Toledo of the Democratic Coordinating movement (Code).

And finally, Pedro Merino, of the (Evangelist) Christian Presence; Ulises Munoz of the Courage Peru Movement [Movimiento Fuerza Peru]; Eduardo Bonilla of the Liberal Union; and Alicia de Horna, of the Peruvian Nature Movement [Movimiento Peruanidad].

Almost half of the parties that presented candidates for the presidency registered over the past few hours after lengthy deliberations on the organization of the electoral tickets which prompted a climate of tension.

There were also some surprises, such as the inclusion of Maximo San Roman, Fujimori's former prime minister, as candidate for his old post in Ricardo Belmont's electoral list.

San Roman was separated from the vice presidency after the institutional coup d'etat imposed by the president on 5 April 1992.

Another surprise was the exclusion from the Perez de Cuellar ticket of former Cusco leftist mayor Daniel Estrada, who was replaced by independent economist Graciela Fernandez Baca.

The former UN secretary general presented two totally independent candidates for vice presidents. The other is President Fujimori's former industry minister, Guido Penanno, dedicated to the promotion of small enterprises.

Another unusual fact was the registration of economist Alejandro Toledo as candidate of the Democratic Coordinating Movement, which was decided at the last moment because the Toledo Group, the Possible Country, did not succeed in gathering the 100,000 signatures necessary to obtain its legal recognition.

With the registration of Alicia de Horna, there are now four women aspiring to reach the presidency of Peru, an unprecedented fact in Peruvian political history.

The other three are Susana Higuchi, Lourdes Flores, and Mercedes Cabanillas.

Peruvian general elections will be held on 9 April 1995, when a new president will be elected and the current single-chamber congress made up of 100 representatives will be renewed.

OAS Commission To Study Case of Fujimori's Wife

PY1110174794 Madrid EFE in Spanish 2030 GMT 10 Oct 94

[FBIS Translated Excerpt] Lima, 10 Oct (EFE)—A source close to Susana Higuchi, President Alberto Fujimori's wife, has said the OAS Human Rights Commission has agreed to study the charges she leveled against her husband's administration for alleged violations of her right to become a presidential candidate.

The OAS decision was passed to Higuchi's lawyer, human rights activist Francisco Soberon, in a letter signed by Domingo Acevedo, who heads the OAS Human Rights Commission executive secretariat.

Acevedo asks the Peruvian Government to grant Higuchi "access to an expeditious administrative or legal process" should she not be allowed to register her candidacy.

After stating that the procedure involving the charges submitted on 22 September "may have taken some time," Acevedo asked Soberon to submit to the OAS Human Rights Commission "any pertinent additional evidence." [passage omitted]

Uruguay

Editorial Assails U.S. Policies on Haiti

PY1010144894 Montevideo EL OBSERVADOR ECONOMICO in Spanish 29 Sep 94 p 2

[Editorial: "President Lacalle Before the United Nations"]

[FBIS Translated Text] The president's remarks before the UN General Assembly were very much to the point in confirming Uruguay's adherence to the principles of international law, which have regrettably been brought into question by recent events.

President Luis Alberto Lacalle demanded of UN delegates strict compliance with UN principles and regulations. It stands to reason, then, that such an observance centersaround the invariably thorny issue of the use of force against the territorial integrity of states.

It goes without saying that President Lacalle's remarks alluded to the recent U.S. actions in Haiti, as well as to U.S. President Bill Clinton's address before the same UN forum, in which he claimed that in being the "only" extant "power" his country had to assume the role of a virtual international police.

The note of warning sounded by Uruguay upholds in its entirety the principle of nonintervention, even though this may be overridden for humanitarian reasons. The Haitian case is, in this sense, an exemplary case, as it was

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strictly for reasons having to do with the U.S. immigration police that the United States gave itself the right to invade Haiti.

President Lacalle said that Uruguay has traditionally insisted on this point, especially for pragmatic reasons. He contended that Uruguay's position as a small country would be seriously jeopardized if it accepted that its inseverable sovereignty should be questioned in the future because third countries so wish, basing themselves on the precedent that some intend to establish today.

U.S. actions in Haiti are all the more blameworthy because the United States has tried to legitimize them through a multilateral mechanism that has the United Nation's backing but which, in fact, has been reduced to insufficient support from the English-speaking island states scattered over the Caribbean. This scant international support, together with the disturbing invitation made to European nations to participate in the future in the organization of a police force in Haiti, would entail a serious step backward in the hemisphere's diplomatic traditions, based on the principle of the exclusion of the Old World from questions that affect the New World. It also elucidates the degree to which the North is allowed to interfere in the South.

Going back to the previous issue, it is quite apt that President Lacalle should have pleaded at the UN General Assembly in favor of lifting the trade embargo imposed by the United States on Cuba.

This measure would seem appropriate at present following the end of the Cold War, which was resoundingly lost by the ideological system that still prevails in Havana. Only an inexcusable bout of blindness might lead one to think that Fidel Castro and his regime would be able to survive the reality of a world that has discarded its Marxist myths, or that they represent a threat to U.S. internal security. Prolonging the agony of the boycott will thus only cause unnecessary suffering for the Cuban people.

Cuba will go through a lengthy and painful process to free itself from the shackles of the dictatorship keeping the island under its heel. It will entail creativity, patience, and statesmanship. The necessary climate for this to happen will be disturbed by the increase of grinding poverty which the boycott brings about. Nobody, and least of all the United States, can benefit from this.

This reality became obvious following the latest wave of Cuban immigrants. Still, putting an end to its root cause will demand a degree of imagination and professionalism that has so far been conspicuous by its absence in the Clinton administration's foreign policy.

Let us hope that for this very reason, President Lacalle's remarks will join the voices of reflection which, requesting the end of the trade embargo on Cuba, are increasingly heard from the rest of Latin America.

Falklands Flights Halted 'for Security Reasons'

PY0810032394 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1754 GMT 7 Oct 94

[FBIS Translated Excerpt] Montevideo, 7 Oct (AFP-NA)—Diplomatic sources confirmed to AFP on 7 October that Great Britain's civilian aeronautics authorities have momentarily suspended, for security reasons, the authorization to the Uruguayan company Air Atlantic to exploit the Montevideo-Malvinas Islands route.

Last week Air Atlantic made its maiden flight between Carrasco International Airport and Mount Pleasance airport to "get familiar" with the route and was getting ready to start the regular transport of passengers and cargo in Hercules C-130 B planes rented from the Uruguayan Air Force (FAU).

The sources told AFP that flights will remain suspended until British technicians can inspect the planes the company will use in the route to Malvinas, which have been refitted to carry 24 passengers and some 8,000 kg of cargo.

An experts delegation will travel to Montevideo "as soon as possible" and "before the end of the month" to determine the planes' security conditions. The planes were donated by the United States to the FAU years ago.

The sources say that the suspension "is not the fault of Air Atlantic" and suggested that the measure was influenced by the restrictive measures recently adopted by the U.S. aeronautics service for all Uruguayan airlines, particularly because of airport security problems.[passage omitted]

Venezuela

Caldera Responds to Carter Letter on Cedras Asylum

PA1110213994 Caracas EL GLOBO in Spanish 11 Oct 94 p 2

[FBIS Translated Excerpt] President Rafael Caldera sent a letter in response to a message from former U.S. President Jimmy Carter stating that the Venezuelan Government does not consider it appropriate to receive Raoul Cedras in our country.

Former President Jimmy Carter sent a letter to the nation's president stating that General Raoul Cedras' relatives had contacted him to request his mediation in asking the Venezuelan Government to allow them to enter Venezuelan territory with the relatives of Haitian Army Chief General Philippe Biamby (a total of 16 persons).

President Caldera explains in his letter that "Venezuela has consistently offered asylum to all politically persecuted persons; this goes without saying. In this specific case, however, it is clear that these are not politically

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persecuted persons, and the international community has already passed an unmistakable judgment on their public conduct."

The Venezuelan head of state stressed that "the situation would have been different if, as a result of the UN Security Council Resolution 940, the military members had availed themselves of Venezuela's initiative to resolve the problem in Haiti without an invasion or foreign occupation."

He indicated that "on that occasion, and to spare the hemisphere what unfortunately occurred, we would have considered the possibility of offering temporary refuge to those who today request it through you." [passage omitted]

Caldera's Reply
Dear Mr. Jimmy Carter
Former President of the United States
Atlanta

Dear Mr. President:

In response to your letter of yesterday regarding the possibility of granting asylum to the principal military leaders who have been in the de facto government in Haiti, I deem it necessary to tell you that my government does not consider their presence here advisable at this time.

Venezuela has consistently offered asylum to all politically persecuted persons and does not think this needs to be further demonstrated. In this case, it is clear that it does not involve politically persecuted persons but persons upon whose public actions the international community has passed an unequivocal verdict.

The situation would have been different for us if, in the wake of UN Security Council Resolution 940, the military members had accepted the Venezuelan initiative to resolve the problem created in Haiti without foreign invasion or occupation.

On that occasion, and to avert what unfortunately happened in the hemisphere, we naturally would have considered the possibility of offering temporary asylum to those who request it through you.

I also think that Venezuela is very close to Haiti, and that fact would create additional discomfort, given the importance of the Haitian political process.

I appreciate and applaud your initiatives and services in this and other causes which concern peace among peoples. I appreciate and reciprocate your greetings and share your desire that we meet soon, Mr. President.

Respectfully,
Rafael Caldera

Minister Views Privatization, EU Integration

BR1110153094 Brussels L'ECHO in French 11 Oct 94 p 5

[Interview with Economic Affairs Minister Werner Corrales by Francoise Delstanche; place and date not given: "Strengthen Relations With Europe as Integrated Groups"]

[FBIS Translated Excerpt] [passage omitted] [Delstanche] Do you intend to negotiate an agreement with the IMF?

[Corrales] We are not asking for a loan from the IMF because we think we can overcome the crisis without a specific IMF program. However, although we are not seeking formal support from the IMF, informal support is always interesting. That is why I was in Washington two weeks ago to present the economic program to the IMF's officials.

[Delstanche] What are you offering foreign investors?

[Corrales] Venezuela is in the process of implementing a very important privatization program, from tourism right through to the oil industry, including aluminum, steel making, and electricity production. Foreign companies are invited to participate. Private investment requirements in the oil sector are estimated at $20 billion. Japanese, U.S., and European industrialists have already shown their interest. The goal is to increase Venezuela's production capacity from 2.8 billion to 5 billion barrels a day. There is also a very important program in the gold mines and forestry sector.

[Delstanche] In Argentina the privatization program has been strongly criticized for having sold the major companies. Is this the case in Venezuela?

[Corrales] When the privatization program started in 1990 there were many opponents to privatization, because we had been used to see the state subsidize everything. At present one of the objectives of the current government has been precisely to win the support of the political parties, trade unions, and the private sector. And I can say that today that the government has their support.

[Delstanche] And the support of the Army?

[Corrales] Absolutely. In 1992 there were many problems with two attempted coups. But we think it was the result of the lack of social and political legitimacy of the then government, which wanted to impose privatization, whereas it is necessary to strive to obtain minimum support. I personally have spent two months talking with every party, trade union, and employers organization. And our initial project was modified significantly following these consultations.

[Delstanche] Do you intend to make a social pact as in Mexico?

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[Corrales] We will try to make pacts in some sectors to support specific policies. But not a global pact. It is not really necessary to make such a formal agreement, since we already have support. Which does not mean that we are opposed to such an initiative.

[Delstanche] How do you envisage the development of your relations with the other Latin American countries and the European Union?

[Corrales] Venezuela is a member of the Andean Group along with Colombia, Peru, Ecuador, and Bolivia. It has also signed an agreement with Mexico and Colombia. It is a member of the Caribbean Community and Common Market and the Central American Common Market. And recently we started talks with Brazil which could lead to the participation by the Andean Group countries in Mercosur (comprising Brazil, Argentina, Uruguay, and Paraguay, ed.). At present the Andean Group countries are seeking to accelerate the Latin American integration process, because our future lies more in regional integration, rather than a separate approach toward the United States and the North American Free Trade Alliance, which comprises Mexico, the United States, and Canada. And the same applies to Europe. We think that on both sides we have a greater interest in strengthening our relations as integrated groups rather than as separate countries.

University Students Clash With National Guard

PA1210012494 Caracas Union Radio Network in Spanish 2200 GMT 11 Oct 94

[Report by Geovanny Esposito; from the "Union Radio News" program]

[FBIS Translated Text] The riots in Zulia State have grown worse due to an increase in public transportation fares. Just when everything seemed to indicate that Zulia State was returning to normal following Monday's rioting and looting, fierce riots were reported today on the university campus. National Guardsmen clashed with students this afternoon after some vehicles belonging to a private company were burned.

The regional government has decreed the militarization of the area around the university campus to prevent any disruption of public order. At least 300 National Guardsmen have been posted at the rectorate and at the engineering, veterinary medicine, and humanities schools, the scenes of fierce rioting on Tuesday afternoon.

Meanwhile, the transportation stoppage observed by 99 percent of the drivers continues to affect the population. The unions announced that seven municipalities will joint the stoppage on Thursday to support their position, and this will obviously affect the population.

Moreover, the Municipal Transportation Institute has suspended negotiations until transportation sector members decide to end the stoppage.

We will remain in contact with the station in Caracas to provide further details on events in Zulia State.

Maracaibo Militarized Amid Looting

PA1110214994 Hamburg DPA in Spanish 1437 GMT 11 Oct 94

[FBIS Translated Text] Caracas, 11 Oct (DPA)—Maracaibo, Venezuela's second largest city, was militarized today and is without public transportation following protest demonstrations and looting which resulted in the arrest of 16 people.

The regional government headed by socialist Lolita Aniyar announced that she will not allow protests that "lead to violence or vandalism," referring to the looting of shops that took place last night following a Zulia University [La Universidad del Zulia, LUZ] student demonstration against an increase in city bus fares. Maracaibo is located 800 km west of Caracas.

According to reports by Caracas radio stations, Maracaibo "awoke militarized and without transportation" because the transportation unions suspended service to protest the hijacking of 13 public buses and trucks by LUZ students.

The drivers union is demanding a 50-percent fare increase. The student demonstrations, which turned into the looting of La Pulga shopping center in downtown Maracaibo, began when drivers charging the higher fares without municipal approval.

According to Radio Capital, the "looters" are not university students. The authorities have not released the identities of the 16 people under arrest who have been turned over to the Judicial Technical Police.

The protests and arrests took place on Monday while Interior Minister Ramon Escovar Salom was assuring that a new social outbreak in Venezuela similar to the "Caracazo" [violent looting and disturbances in Caracas in February 1989 after President Perez decreed stringent economic measures] "is a tropical fantasy" and reaffirmed that the country is enjoying social peace.

Interior Minister Holds Talks With Labor Leader

PA0710144394 Caracas EL GLOBO in Spanish 4 Oct 94 p 3

[FBIS Translated Text] Interior Relations Minister Ramon Escovar Salom has said that there is a climate of peace and understanding between the CTV [Confederation of Venezuelan Workers] and the government.

Escovar Salom made that statement after meeting with CTV President Federico Ramirez Leon, during which the interior minister stressed the importance of solving all conflicts in Venezuela through dialogue and communication.

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"The government is willing to discuss in each case the most favorable conditions to prevent ruptures and confrontations," he said. He noted that the main problem is the lack of government funds, and that within those limitations, we must seek communication and dialogue.

When asked if there are groups trying to destabilize the system, he said that each organization has its own demands, adding that we are facing very difficult times during which inflation and the deterioration of public services naturally increase social demands.

We cannot describe those who are demanding improvements in their working conditions as traitors or destabilizers. That would be unfair. It is possible, however, that some individuals may try to take advantage of the situation with other intentions in mind. I do not believe that is the case with the CTV or other unions.

Meanwhile, CTV President Ramirez Leon said that the purpose of his visit with Interior Minister Escovar Salom was to discuss various labor problems that could be interconnected and create nationwide conflicts. Among those conflicts, he mentioned the Aeropostal problem, the situation in the health and transportation sectors, and the privatization and decentralization processes the government is about to implement. He said that those problems are not being discussed with specific labor groups, which could cause more serious conflicts.

"We are contributing to creating a climate of confidence in all areas, and encouraging new investments, which in turn will create new jobs."

President Praises Armed Forces on Soldier's Day

PA0910181994 Caracas Union Radio Network in Spanish 2200 GMT 7 Oct 94

[Report by Cecilia Pachano from Miraflores Presidential Palace]

[FBIS Translated Text] President Rafael Caldera believes the Armed Forces maintain a supportive attitude with respect to the crisis the country is undergoing.

During events organized by the Army to celebrate Soldier's Day, President Caldera reiterated his deep conviction with respect to the role the National Armed Forces [FAN] members must play to help overcome Venezuela's current crisis.

During the brief speech the president delivered to the soldiers, he emphasized the degree of unity that has been established within the FAN.

[Begin Caldera recording] We are all a single unit, willing to challenge any attempt against the country's survival aimed at dissolving or splitting this unity. As I mentioned before, we are also ready to defend peace, that fleeting commodity without which it would be impossible to overcome the obstacles that block our path to attain development, permanently defend the country's sovereignty, and continuously oversee the progress of the institutions, as well as understand our poeple's genuine needs and demands.

Venezuelan soldiers, in expressing my congratulations, I would like to say that just as you will always be proud of being Venezuelans, I am also sure that Venezuela will always feel proud of each and every one of you. [end recording]

At the conclusion of the military parade that took place at the Paseo de los Proceres, President Caldera commented that his good relations with the FAN are based on the military's clear-cut awareness of the role they play in the country's development.

Suriname

Businesses Blame Government for Currency Crisis

FL0810022994 Castries HTS Caribvision Television in English 1945 GMT 7 Oct 94

[From the "Caribbean Evening News" program]

[FBIS Transcribed Text] Businesses in Suriname have taken action to end the rapid devaluation of the Surinamese guilder. They have ceased buying foreign exchange on the black market. Marion Rheidwald has more:

[Begin Rheidwald recording] Many stores in Paramaribo were closed on Monday [3 October], the day of national consideration that was organized by a group of entrepreneurs. There were less buses on the road, and the central market was closed. Prayers were held to bring an end to poverty and to reestablish moral and ethical standards. The steering committee of entrepreuners has made an (?urgency note) in which it demands (?that the government immediately) bring an end to the deteriorating purchasing power.

President Ronald Venetiaan, who returned from the UN General [Assembly] meeting, said he supported the day of national consideration as long as it did not negatively affect production. The entrepreneurs accuse the government of causing the crisis situation in Suriname. They cannot buy enough foreign currency at the uniform exchange rate that's being set by the Central Bank because the government must not have enough foreign currency. They are forced to buy it on the black market. The Association of Trade and Industry of Suriname says that since 1984, it has been giving advice to the government to better the economic situation. The Association is also tired of the situation and is waiting for an invitation of the government to talk about the country's problems. [end recording]

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